

Moscow regards new Warsaw leader as Poland's last chance

Western diplomats believe Moscow has issued a clear warning to Warsaw that the upheaval in Poland will no longer be tolerated. The appointment of a new Polish Prime Minister is regarded by the Kremlin as the last chance for Poland to put its house in order. Mr Stanislaw Kania, the Polish party leader, said yesterday that if the "chaos continued", Russian patience might run out.

Ample warning of intervention

From Michael Binyon
Moscow, Feb 10

The appointment of General Wojciech Jaruzelski, as his country's Prime Minister, is seen here as the last chance for the Warsaw authorities to bring Poland back to normal before the Soviet Union feels obliged to intervene.

Western diplomats believe the Russians have given the Poles a clear warning that they have reached the limits of tolerance and have urged the Polish authorities to take a tougher line against the independent trade union movement and dissenting groups.

This may have prompted the resignation of Mr Jozef Pankowski as Prime Minister. Moscow may not have been consulted about the choice of Jaruzelski, though the Kremlin will clearly approve the appointment of a Soviet-trained general in the expectation that he will be more decisive in ending the chaos.

As the tone of Soviet reporting on the Polish crisis becomes daily more threatening, it is clear that the Russians regard the situation as little short of disastrous. But they are aware of the enormous political, military and economic costs of open intervention, and appear to be hoping that the situation can still be relieved by the Polish party leadership.

Matters have already gone so far beyond what were previously regarded as the thresholds of Soviet tolerance—and so many false alarms have been given of an imminent Soviet invasion—that it is difficult to know what would finally prompt intervention and what form this would take.

Western diplomats here suggest that Moscow may have given the Poles a time limit to sort out their house in order, and that the Russians would prefer to wait until the Soviet Party Congress over, they would have an opportunity in taking action if it was felt that Soviet interests were threatened.

The overriding interest, as in the case of the Soviet ambassador to East Berlin, is to ensure that the Polish situation does not become a test case for the reliability of Poland as a member of the Warsaw Pact.

He spoke of the heavy Soviet casualties in liberating Poland at the end of the Second World War, and said it was "understandable that we cannot be indifferent towards what is happening in Poland today and for what reasons".

Ironically the Russians gave a warning last summer that the logic of events in Poland would inevitably lead to the present chaos. Moscow appears to have had a good understanding of the Polish mood and circumstances, but—because of outside constraints and the lack of any influence—was unable to let matters there take their course.

Nearly all Moscow's gloomiest predictions have come true, and accusations being levelled by the Soviet press accurately reflect the intense concern of the Kremlin.

The main charge is that Solidarity, the independent Polish trade union organization, has set itself up as a political opposition to the Polish Communist Party, and cannot be trusted to confine itself to union activities. The Russians say the organization is influenced from outside by anti-Soviet forces.

The official Tass news agency maintains that Solidarity is conducting "deliberate and organized subversive activity". The Solidarity demands to be incompatible with communist ideology. These demands are deemed corrupt or hostile to Solidarity, and the registration of a new branch of the union organization.

According to Soviet orthodoxy only the party has the right to change its officials, however corrupt, or approve new appointments. The Russians regard Warsaw's acceptance of the demand to replace officials in Poland's southern provinces as a capitulation—signalling a loss of the party's monopoly of power and thereby setting a dangerous precedent.

The registration of a new union for rural workers is an even greater challenge to the Soviet conception of a communist state. According to ideological purists, private farmers are tolerated on sufferance—to organize them into a union is even an indication as the Polish Supreme Court

Miners set for all-out battle over closures

By Paul Routledge
Labour Editor

Leaders of the National Union of Mineworkers are preparing for an all-out confrontation with the Government over the threatened closure of many pits and the loss of up to 30,000 jobs under a coal board scheme to meet the impact of the economic recession.

The miners had their worst fears confirmed yesterday when they met Sir Derek Ezra, the coal board chairman, for talks on the industry's future at a time of falling demand and rising output. They were told that capacity should be reduced by 10 million tonnes a year through the closure of inefficient collieries and the exploitation of highly mechanized "super-pits".

That could involve the closure of up to 50 mines over the next two to five years as the industry seeks to bring output into line with demand, and union leaders will tomorrow draw up their battle plans against the closure programme.

The scale of the cut is closing the ranks of the politically-divided national executive of the miners' union. Mr Joseph Gormley, its moderate president, said that if a joint approach to the Cabinet for more state aid fails, then a pitched battle of the men in industrial action would be ordered.

"We will go to them and ask if they are willing to support us in national strike action as a result of Government policy," he said. The whole policy of importing coal while eight million tonnes produced in British pits were being put into stock was economic madness," Mr Gormley said. "I am not going to allow the industry to be raped in this way."

Mr Arthur Scargill, left-wing president of the Yorkshire miners, who are already planning a strike over plans to shut Oargreave colliery, near Sheffield, said: "Mrs Thatcher has been out to get the miners since 1972 and 1974 (the years of their national strikes). If she throws down the gauntlet, I can assure her of one thing: we will pick it up."

In the first instance, the miners are expected to seek a reversal of government policy through talks with ministers, arguing that circumstances have changed since the 1980 Coal Industry Act, which phases out operating subsidies over a three-year period, was passed.

But the union privately expects to get little from the Cabinet by argument, and is pushing for a ballot authorizing the union to take strike action in defence of jobs. The highly emotional issue of pit closures takes on extra significance this year in the build-up to the election of a new national president.

In his four-point plan put to union leaders of the miners, pit deputies and colliery managers yesterday, Sir Derek Ezra argued that the industry must change its attitude and accept a balance during the current recession by maximizing sales, expanding output at pits with access to viable reserves and diminishing capacity where realistic reserves are exhausted or where, for geological or other reasons, the pits can be no long-term contribution.

Stocks of about 37 million tonnes this spring (including those at power stations) are at a record level, and the coal board could not add to the coal mountains. It would be "extremely difficult" to achieve further price rises, even in line with general inflation, and the board therefore had no option to adjust supply by reducing capacity.

Yesterday's talks in London were described by one coalfield leader as "disorderly, angry and frustrated".



Susana Kleeman, aged 10, reading yesterday from her play "Perfect Pigs", which has been chosen for production at the Royal Court Theatre Upstairs in London. Report, page 5.

Fish buyers seek cover from police

By John Roper

Grimsby fish merchants sought police protection yesterday for their drivers because of what one described as something "like a riot" when picketing fishermen attempted to stop traffic at dock entrances.

It was claimed that there were up to 16 pickets at each entrance and that they stopped consignments of cod from Scottish ports from entering the dock.

The fishermen had mounted the pickets in protest at cheap imports which they say are depressing prices for British fish.

An agreement on a new EEC fisheries policy looked like being off. At midnight Mr Peter Walker, Minister of Agriculture, Fisheries, and Food, accused the French of "totally unacceptable" behaviour in blocking an agreement by demanding that under EEC free trade rules, they should be allowed to fish in British waters "right up to the beaches".

Mr Walker is arguing for almost exclusive rights for the British fleet around the 12-mile limit. When Britain joined the EEC it was agreed that the 12-mile limit would remain in force for 10 years. The French claim that ruling allows them to fish up to the beaches from January 1981.

British fishermen want a deal, but Mr Walker said that he will veto any transaction which does not secure the prosperity of the British fishery. Demands include a 50 per cent exclusive zone around the 12-mile limit, limited to vessels under 80ft and an exclusive 12-mile limit off the east and west coasts of Scotland, the British side of the Irish sea and down the east coast from Bridlington to Margate.

France claims that its fishermen catch 45,000 tonnes of fish worth £28m inside the British 12-mile limit and that it cannot allow its vessels to be barred from those lucrative grounds.

More than 2,000 British boats are staying in port in protest against the dumping of cheap fish in Britain. Fishermen at Grimsby walked out in support of the fishermen yesterday after Dutch codling arrived for processing.

Fishermen at North Shields yesterday were reviewing their position after an incident on Monday in which they claim a lorry delivering British fish charged through a picket line.

Photograph, page 2
Brussels deadlock, page 6

Mr Jenkins defines his policy for new party

By Fred Emery
Political Editor

As Mrs Shirley Williams confirmed last night that she would be leaving the Labour Party "very soon" and forming a new party, Mr Roy Jenkins, one of her leading social democratic partners, defined their practical policy. He advocated government intervention to bring down the rate of sterling and once it was lower, for Britain to join the European Monetary System (EMS).

In a speech to the American Chamber of Commerce in London, Mr Jenkins predicted a major political realignment within six years. He also claimed that the policy of the Government must "talk down" the pound, the markets at the moment did not believe the Government would intervene. Secondly, interest rates should be lowered significantly and steadily, commensurate with the considered, on foreign capital inflows, as in Switzerland and West Germany.

Mr Jenkins admitted that none of those steps was a panacea, but in combination they could get the pound down and set that stage Britain should join the EMS.

In the first instance, to enjoy maximum flexibility, Britain might use the EMS's wider 6 per cent margin, which Italy used, Mr Jenkins suggested.

While Mrs Williams, appearing in a conference of journalists, confirmed that she was leaving the Labour Party, at one point saying "it is as agonizing as breaking up a family", Mr Jenkins wanted no one to underestimate the realignment saw coming.

"I would like to express my conviction that we are at a crossroads," he said.

Continued on page 2, col 1

Swiss help American journalist to leave Iran

From Tony Allaway
Tehran, Feb 10

A new mission produced overnight by British diplomats, enabled the American journalist, Mr. Terry Waite, to leave Iran today after nine months in Iranian prisons.

A new mission produced overnight by British diplomats, enabled the American journalist, Mr. Terry Waite, to leave Iran today after nine months in Iranian prisons.

Mrs Dwyer, aged 49, should have been deported yesterday after being convicted last week on spying charges that were refused permission to leave by airport immigration officials because she had no passport.

She was shipped secretly into the airport this morning by three Swiss diplomats. On an spying charge, Mr. Waite was expected to accompany her to Zurich tomorrow.

There are still no signs that the four Britons imprisoned in Iran are near release. A highly confidential source said further talks with Iranian officials today produced no results.

No one is saying exactly what role is being played by Mr. Terry Waite, the special representative of the Archbishop of Canterbury.

It seemed clear that Mr. Waite was acting entirely separately from the efforts of Swedish and British diplomats here to the point of not even keeping them fully informed of developments.

With the vehement denial of reports by the BBC that Mr. Waite was negotiating a swap of the four Britons with two Iranians jailed in Britain, it could be assumed only that there were some religious problems still to be sorted.

Clashes feared, page 7

Farmers allowed association but not a union

Unknown Soldier where they clicked the Polish Army, sang the national anthem, listened to a Roman Catholic priest, and then dispersed, in buses and on foot, to their villages all over Poland.

Yesterday, the Communist Party central committee hinted strongly that the party would no longer tolerate political strikes. The Army also made a spectacular entry into the Polish crisis with the appointment of General Wojciech Jaruzelski, the Defence Minister to replace Mr Jozef Pankowski the Prime Minister. Mr Pankowski's resignation did not come as a surprise as the Government came under strong public criticism for delays and hesitation in implementing the agreements with the workers signed last August. Under the new Government the debate on the "disastrous twilight area" of growing numbers of private and illegal tapping.

Mr Stanislaw Kania, the party leader, left no doubt that the current tension represented a serious threat to Poland's independence.

[Mr Kania said in his speech to the central committee that Moscow's patience might be running out. He said: "In these difficult moments we have found understanding on the side of our friends, especially the Soviet Union. They understand us and are not pressing for our obligations. But they will not be in a position to understand us if the chaos continues", he said.]

Obviously Poland has been under strong pressure from its allies. There have been alarmist reports in the east European press and in East Berlin the Soviet ambassador said flatly this his country could not remain indifferent to the situation in Poland.

It was against this background that the central committee yesterday made the spectacular decision to entrust the Government to a soldier.

Gunmen kill UDR man

A part-time member of the Ulster Defence Regiment was shot dead at his workplace in Londonderry yesterday.

Samuel Montgomery, aged 27 and unmarried, was shot by two men at a timber yard in Strand Road.

Brandt move to save party unity

From Patricia Clough
Bonn, Feb 10

Herr Willy Brandt, the chairman of the Social Democratic Party (SPD) was today preparing a five-point programme to save the party's unity and the government coalition amid the growing rift between Herr Helmut Schmidt, the Chancellor, and dissident sections of the party.

The left wing, in particular, feels that many of the Chancellor's policies go against the real wishes and principles of grass-root members. They are at odds with him over a series of issues, including nuclear energy, plans for arms exports to Saudi Arabia and China, and the modernisation of Nato medium-range nuclear weapons.

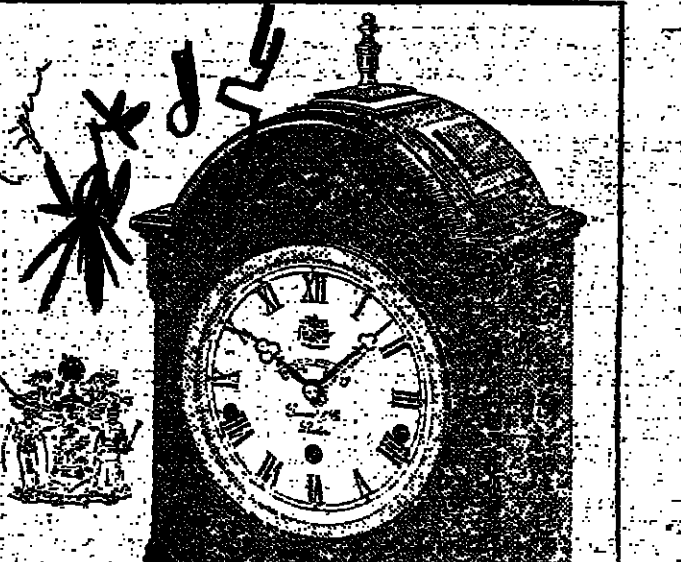
The disputes have been heightened by conflicting interviews given by leading figures which led last night to an open clash between Herr Brandt and Herr Herbert Wehner, the SPD's Bundestag floor leader.

Herr Wehner gave a warning that the party was in danger of splitting. At a meeting of the party presidium in Berlin last night Herr Brandt called for an end to the "irritating" public comments.

But no sooner was the meeting over, than Herr Brandt himself broke the truth.

Another issue which could have intensified the problems was defused tonight to a certain extent by a compromise. The Hamburg city government voted by six to six to hold up the building of the controversial Kendor nuclear power station for a further three years.

A previous decision by the city SPD, which governs alone in Hamburg, to withdraw from the project was a "serious psycholo-



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Sharp rise in pending figures for January

Central government spending continued to rise sharply in January. The month's plus of £1,744m was significantly lower than a year earlier, but there was no legal impediment to the increase. The decision paved the way for a possible solution to the ad hoc over the farmers' request to form an independent union which has been a cause of friction for several weeks.

Several thousand farmers are on strike in front of the court building for five hours while the court was sitting. The decision puts off a final solution but Mr Lech Walesa, leader of Solidarity, the free trade union organization, called it a "draw".

"With calm and patience and some of the farmers, together with the workers, can bring an issue to a successful conclusion," he told the farmers in a mood of reassurance and patient mood as he walked to the tomb of the

Move to ban tapping for political reasons

A Conservative backbench MP is supporting an opposition amendment to the Telecommunications Bill which would require the Home Secretary to issue a warrant before telephone messages could be intercepted and would ban tapping for political reasons.

During a parliamentary committee debate an MP attacked the "disastrous twilight area" of growing numbers of private and illegal tapping.

Page 2

US defence cash plea

The Pentagon is reported to want an increase of about \$32,000m in American defence spending over and above the record military budgets submitted by former President Carter for this year and next.

The proposals are in line with military priorities outlined by President Reagan during the election campaign.

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Wembley finalists

West Ham United play Liverpool in the League Cup final at Wembley on March 14. The East London club beat Coventry City 2-0 to win 4-3 on aggregate. Liverpool drew 1-1 with Manchester City to win 2-1 on aggregate.

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Witch-hunts on agriculture and the EEC; Bernard Levin has some initial problems; Philip Howard on Private Eye's 500

Sport, pages 10, 11
Cricket: India threaten walkout in Test over umpire's decision; Rugby Union: Scotland are exchanged for Twickenham; Football: Players and managers criticise new points system; Golf: Easton's plans for 1981

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Trevor Fishlock talks to Ben Kingsley, who plays Gandhi in Richard Attenborough's film; Pauline Hanson: Edinburgh Children; by Thea Thompson

Business News, pages 17-22
Stock markets: Selective buying in a thin market again provided equities with further impetus but still ruffled despite the banking figures being in line with expectations. The FT index rose 4.5 to 453.5.

Business features: David Hewson examines the growth of British television sales overseas; Business Diary: BL's advertising standards

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21 Weather
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They will make my jammed view of the whole system.

Yellow 2
PHONE BOXES

Classified advertisements: Personal, pages 24, 25; La crime de la crime, 23, 24

University of London

HOME NEWS

Telephone tapping may be curbed as Tory MP backs Labour move in parliamentary committee

By Patricia Tisdall and Michael Hatfield

The Government faces the possibility of legal constraints being imposed on telephone tapping for the first time.

A Labour-sponsored clause to the telecommunications Bill, now at a Commons committee stage, imposes those conditions and has the backing of a Conservative backbencher, Mr John Goss, who is expected to carry a vote inside the committee tomorrow.

Mr Goss is expected to come under pressure from government whips to have second thoughts but at the same time it is possible that Mr Kenneth Baker, Minister of State for Industry, may produce a compromise.

The clause would require the Home Secretary to issue a warrant before telephone messages could be intercepted and would ban taps for political reasons.

During the debate, Mr Kenneth Weir, Labour MP for Ipswich, attacked the present "distasteful twilight area" of growing numbers of private and public organizations, where organizations, suspecting that their telephone calls had been intercepted, had stage-managed incidents that had led to the police arriving.

The organizations concerned were the Campaign for Nuclear Disarmament (CND), union leaders in the steel dispute and the Grunwick strikers.

Faced with possible defeat on the issue, the Government delayed a vote until it could ensure its full complement was present.

The proposed measures define strict legal boundaries for telephone tapping. Warrants would be restricted to authorities concerned with investigating crime "of such severity that a person with no previous record could reason-

ably be expected to be sentenced to three years' imprisonment for it," fraud serious enough to damage the national economy and "major terrorist or espionage activity that is likely to injure the national interest". In each case normal methods of investigation must have been tried first.

The measures would also give individuals whose telephone calls were intercepted the right to be told afterwards whether the authorized suspicion proved groundless. The Home Secretary's decisions would be subject to scrutiny by an independent panel of three people.

A further proposal is for an annual audit that would enable Parliament to receive a report on the number of warrants issued with comments on the effectiveness of interceptions.

The regulations would carry penalties of fines of up to £5,000 or three years' imprisonment.

Government inquiry into rise in water charges

By Christopher Warman

Local Government Correspondent

An urgent government inquiry is under way into the increase in water charges for 1981-82, which range from 14 to 33 per cent.

The Prime Minister announced in the Commons yesterday that independent accountants were conducting the inquiry and said she was very aware of the growing resentment at the size of the increases.

The inquiry was ordered by Mr Michael Heseltine, Secretary of State for the Environment, last week and is expected to be completed within seven days.

It is being carried out by three firms, Arthur Andersen and Company, Coopers and Lybrand, and Price Waterhouse and Company. They began work on Friday.

Replying to a question from Mr John Hannan, Conservative MP for Exeter, Mrs Margaret Thatcher said the investigation had been launched with the cooperation of the chairmen of the nine English water authorities.

The consultants' brief is to discuss the water authority budgets and to see whether there is scope to reduce the levels contemplated.

Thames Water, the largest of the authorities, yesterday announced a 14 per cent increase in charges, raising the average domestic bill for the year from £47 to £54. It said it had offered all facilities to the consultants.

The authority added, however, that it was surprised that an inquiry should be started and argued that a 14 per cent rise was reasonable.

Mr Timothy Whiteley, the authority's finance chairman, said the authority had been required by the Government to end the subsidy to domestic consumers, which amounted to about 30 per cent in 1974, by April, this year. That process was almost completed.

Thatcher warning on unfair dismissals

By Hugh Noyes

Parliamentary Correspondent

Westminster

The Prime Minister gave a clear warning in the Commons yesterday that cases of unfair dismissal resulting from a refusal to join a trade union would be treated severely by the Government in coming to a decision whether to introduce further legislation to restrict trade union immunities.

Asked about the case of Miss Joanna Harris, the West Midlands poultry inspector who has been threatened with dismissal by Sandwell council for refusing to join a union, Mrs Margaret Thatcher told MPs that the Government was reviewing the law in the light of the dispute over trade union immunities. In deciding what to do, the Government would be taking the Sandwell case and other instances into account.

She agreed with the view that a person's right to work should not depend on union membership and that in these circumstances a closed shop was a denial of free choice. The Prime Minister hoped that those affected in such a way by the operation of a closed shop would take full advantage of the change in the law in the Employment Act, 1980.

Mrs Thatcher was referring to the change in the law under the Act by which loss of job for refusal to join a union became an unfair dismissal. Until the 1980 Act such a dismissal was counted as fair.

The law at present permits the person who has lost a job to appeal to an industrial tribunal which can award damages up to a maximum of £17,000.

Parliamentary report, page 9

Mr Healey at meeting of moderates

By Our Labour Staff

Mr Denis Healey, deputy leader of the Labour Party, attended a private meeting yesterday of senior moderate trade union leaders last night to build a strong caucus aimed at reversing the left wing's recent success in the party.

The union leaders, who were supported by some influential right-wing Labour MPs, took the first step in a programme intended to reverse the Wembley decision on an electoral college for choosing the party leader and to restore the party's national executive committee.

Mr Denis Howell, MP for Birmingham, Small Heath and president of the Association of Professional, Executive, Clerical and Computer Staffs (Apces), who chaired last night's meeting in a London hotel, said that Mr Healey had attended as an observer at his invitation.

Lord Underhill, former Labour Party national agent and author of the report on Trotskyite infiltration, on which the party's right wing has consistently sought action, was also present at Mr Howell's invitation.

Most of the union leaders present would prefer the old method of choosing the leader by the parliamentary party, but they are certain to discuss with their executives the formation of a common front behind a form of electoral college that can unite the party's moderate and centre wings with a good chance of victory.

Such unity in part eluded the right at Wembley because the Amalgamated Union of Engineering Workers' delegation was mandated to oppose any proposal that did not give MPs a say of more than a half in leadership elections.

Mr Terence Duffy, president of the AUEW, took a prominent part in last night's meeting, which was also attended by Mr Frank Chapple, general secretary of the Electrical, Electronic and Plumbing Union; Mr Sydney Weighell, general secretary of the National Union of Railwaymen; Mr Brian Stanbury, general secretary of the Post Office Engineering Union; Mr Roy Grantham, general secretary of Apces, and Mr William Sims, general secretary of the Iron and Steel Trades Confederation.



Picketing fishermen who are protesting against landings of cheap foreign catches, stopping a van at North Shields fish quay yesterday.

Mrs Williams stands by decision

Continued from page 1

moment of flux in British politics such as very rarely occurs in our somewhat rigid and ossified structure." He noted that politicians and journalists had reacted with scepticism and caution when he had 15 months ago, spoken of the need for a "strengthening of the radical centre".

"I thought they were wrong then in their cautious comments and I am convinced now that they were wrong," he said. While conceding that "a fortnight ago I was wrong," he added: "I am content to go forward and put these grave matters to the proof."

Mr David Steel, Liberal Party leader, appearing after Mrs Williams on BBC television, welcomed her latest indications of willingness to

seek arrangements with the Liberal Party. He said the public wanted to see the Liberals and the Conservative campaign joined together.

Mrs Williams, on TV's *News at One*, rejected the charge that she and her colleagues were too middle-class to stick to the fight within the Labour Party. After what she had gone through, she said, "I don't think the charge of lack of courage will stick. I think the charge of misjudgment might stick—we will have to see. Our judgment is that the party cannot now be saved."

In another BBC interview, Mrs Williams explained that the reason for some apparent hesitation was that all those involved in the social democratic venture had decided to move together. It was not a question of leaders taking the decisions; many people had to

be consulted. She confirmed, however, that she wanted a clear alliance, not a merger, with the Liberals.

Three of the Cooperative-sponsored Labour MPs who support the Council for Social Democracy write in *Cooperative News* today that none would be prepared to join a new party "unless we felt it offered at least as good a chance of achieving the cooperative ideals we aspire to as the Labour Party."

The three MPs, Mr John Roper (Farnworth), Mr Mike Thomas (Newcastle upon Tyne, East) and Mr Ian Wrigglesworth (Teesside, Thornaby), suggest that the consideration of their position within the Labour Party "ought to be paralleled by a wider discussion in the Cooperative movement as a whole."

Hopes grow of agreement in seamen's dispute

By Our Labour Staff

Hopes rose last night that terms would be agreed today for an arbitration hearing to settle the seamen's dispute. The National Union of Seamen's executive is to discuss those terms today.

The general policy committee of the General Council of British Shipping last night considered the union's conditions for going to arbitration and a spokesman said later that he was hopeful agreement could be reached today.

The arbitration would be carried out under the auspices of the Advisory Conciliation and Arbitration Service. Ship stewards and officials from ports around the country will meet after the executive's talks.

Free World organization formed to defend Western democracy

New group opposes totalitarianism of the left

By Ian Bradley

The Western alliance, and Britain in particular, have been engaged in political disarmament for a long time, Professor Hugh Seton-Watson, professor of Russian history at London University, said yesterday.

He was speaking at the launching in London of the Committee of the Free World, a group of academics, journalists, politicians and others who see the values of Western democracy and civilization as threatened by totalitarianism of the left.

Professor Seton-Watson said that he hoped the committee would not simply be an anti-communist organization. He said it would not be a mere as a means for very long. The question is how we can act to defend Western values.

Lord Chalfont, another member of the committee's board of directors, said: "I think what we are concerned with is the bias against Western values in the media in this country."

If anyone does think there is such a bias, he should read Sir James Goldsmith's evidence to the media committee of the Conservative Party. He admitted that the election victories of Mrs Thatcher and Mr Reagan suggested a change



Lord Chalfont: Concerned about bias against Western values in the media.



Mr Tom Stoppard, the playwright, who is a member of the group.

of climate in Britain and the United States. However, there was still a tendency among intellectuals in particular, to denigrate Western society and look for civilized values elsewhere.

The committee's manifesto states: "We believe that holding cheap the values, the achievements and the institutions of Western civilization has led in the past, and may lead again, not to something better

but to something immeasurably worse, not to peace but to war; in the generation of the 1930s to totalitarianism of the right, in our time to totalitarianism of the left."

The committee, which was launched at the same time in New York, includes many prominent European and American intellectuals. The British members, of whom some were approached and others offered themselves, include

Lord Blake, the historian, Lord Stoddard, the playwright, Lord Rennie, Max Bel, Sir Elwyn Widdowson and several figures associated with the Conservative Party.

The only Labour MPs on the committee are Mr M. Thomas and Mr Neville Sanson, both supporters of the Council for Social Democracy and the only British trade union leader is Mr Frank Chapple, general secretary of the Electrical, Electronic and Plumbing Union.

Lord Chalfont said the committee had approached Shirley Williams, but had yet heard from her.

Mr Sandelson said yesterday's meeting that he hoped the committee had tried to attract wider support in the Labour Party. He said: "I hope they will be inviting some democratic socialist, include people to the left of Mrs Healey, as well as some democrats."

The committee's main aim will be holding conferences, expanding membership, publishing pamphlets, books. It will take no national government and will constitute a public group with its finances open to inspection.

'Times' NUJ backs interim deal

By Donald Macintyre

Labour Reporter

The union general secretary and News International management on Monday night at which it was also made clear, among other points, that "demanning" would be achieved by voluntary redundancy.

The *Times* NUJ chapel also passed a resolution opposing removal of the editorial staffs of the three supplements from Gray's Inn Road and saying that, if the editorial staffs in separate locations will damage their quality."

The chapel further called for *The Times Educational Supplement* Scotland, with offices and a small staff in Edinburgh, to be retained.

As negotiations with chapels, including representatives of National Society of Operative Printers, Graphical and Media Personnel machine-room staff, continued, Mr Owen O'Brien, general secretary of that union, said: "I believe we are 75

per cent towards a settlement." Mr O'Brien added: "I believe there will be problems. The time factor is working against us, but given goodwill on both sides I think we can solve the problems. I would love more time, but I hope that if the are one or two fairly minor problems to be sorted out after the deadline expires there might be a day or two more to do that."

Negotiations particularly involving some chapels at Naisson, which represents about 2,000 employees of *Times* Newspapers, were thought to be focusing in part on the numbers to be fixed as agreed establishments in individual departments.

Mr O'Brien said he had been heartened by a meeting at the union's head office of chapel fathers yesterday at which he said "an appreciation was passed of the conduct of negotiations so far by the national officers and general secretary."

Soviet threat likened to Nazi vision

By Our Political Editor

An unusual parallel between Soviet and Nazi threats was set last night by Mr John Goss, Secretary of State for Defence, in urging that Britain's guard be not dropped. He said: "The threat is not a speeded-up version of the Nazi vision of the world. It is a vision of the world as it is, with its declarations of peaceful intent, as many assertions of the inevitable advance of socialism and the military power in."

Let us not forget that in the 1920s and 1930s another godless and authoritarian regime gave ample warning of a vision of political destiny which it did not hesitate to translate ruthlessly into action," he said.

Mr Goss said he would emerge from his purdah of on-the-job-learning in about three weeks to make a statement on the need for strong defences.

He grasped enthusiastically the need of the Ministry of Defence and service training of unemployed youth. He Government recently said there would be no uniformed ventures and no conscription.

Mr Goss disclosed that he had, in the first weeks of office, been reviewing how the ministry and the services could make a greater contribution. If we can conceive some new ideas, based on a small and experimental basis which will help a few young people in difficult times I think we should grasp them with enthusiasm."

Duke criticized: A group of Labour MPs tabled a motion yesterday urging the Duke of Edinburgh not to be "the mouthpiece of a bellicose, reactionary Government."

In a reference to his speech in Cambridge on Monday when he emphasized the need for a powerful deterrent, the Labour party's international committee accused the Duke of breaking the well-established constitutional convention that the Royal Family abstain from political controversy.

Work on weapon likely to go on without US aid

By Henry Stanhope

Defence Correspondent

Britain will almost certainly continue to develop an airfield attack weapon for the RAF although the United States, its partner in the £130m project, has decided to pull out. Senior RAF officers, bitterly disappointed by the American decision, say the weapon, an advanced bomb known as JP233, is vital to the future of the new £11m Tornado strike aircraft. One source yesterday went so far as to say they might as well scrap the aircraft if JP233 was prematurely abandoned.

A memorandum of understanding to develop JP233 was signed by Britain and the US more than two years ago and was described as an outstanding example of transatlantic cooperation.

Although the Americans were to pay half the costs, most of the work would be carried out in Britain by Hunting Engineering, of Ampthill, Bedfordshire. About 1,200 jobs in Britain were said to be involved.

JP233 is being designed to

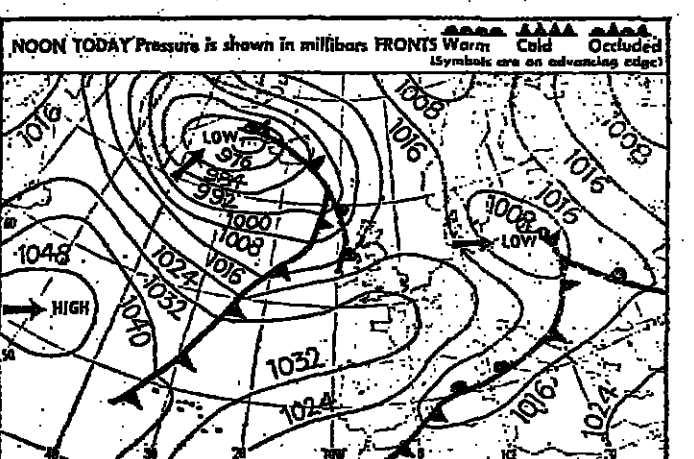
"crater" enemy runways, and has built-in anti-personnel explosives to inhibit repair work. Forces pay warning: The Government has told the Armed Forces Pay Review Body that it wants a settlement well within single figures (see Economics Editor's report). Mrs Margaret Thatcher pressed the board to keep its award, due to take effect in April, within the 6 per cent guidelines.

However, the board, which is chaired by Sir Harold Atcherley, told Mrs Thatcher that an independent body, it could not be party to any award which went against the principle of comparability which in practice rules out conforming to a 6 per cent target. It said that if the Government wanted to make forces pay fit in with pay in other parts of the public sector it will have to do so by openly breaking its pledge to use comparability as the basis for determining pay levels.

An award of about 11 per cent is emerging as a strong possibility.

Pentagon demand, page 7

Weather forecast and recordings



Today
Sun rises: 7.22 am. Moon sets: 5.08 pm.
Moon rises: 12.17 am. 10.43 am.
First quarter: 5.49 pm.
Lighting up: 5.38 pm to 6.50 am.
High water: London Bridge, 6.01 am, 6.30 pm; 6.42 pm, 6.50 am, 6.58 pm, 7.05 pm, 7.12 pm, 7.19 pm, 7.26 pm, 7.33 pm, 7.40 pm, 7.47 pm, 7.54 pm, 8.01 pm, 8.08 pm, 8.15 pm, 8.22 pm, 8.29 pm, 8.36 pm, 8.43 pm, 8.50 pm, 8.57 pm, 9.04 pm, 9.11 pm, 9.18 pm, 9.25 pm, 9.32 pm, 9.39 pm, 9.46 pm, 9.53 pm, 10.00 pm, 10.07 pm, 10.14 pm, 10.21 pm, 10.28 pm, 10.35 pm, 10.42 pm, 10.49 pm, 10.56 pm, 11.03 pm, 11.10 pm, 11.17 pm, 11.24 pm, 11.31 pm, 11.38 pm, 11.45 pm, 11.52 pm, 11.59 pm, 12.06 pm, 12.13 pm, 12.20 pm, 12.27 pm, 12.34 pm, 12.41 pm, 12.48 pm, 12.55 pm, 1.02 pm, 1.09 pm, 1.16 pm, 1.23 pm, 1.30 pm, 1.37 pm, 1.44 pm, 1.51 pm, 1.58 pm, 2.05 pm, 2.12 pm, 2.19 pm, 2.26 pm, 2.33 pm, 2.40 pm, 2.47 pm, 2.54 pm, 3.01 pm, 3.08 pm, 3.15 pm, 3.22 pm, 3.29 pm, 3.36 pm, 3.43 pm, 3.50 pm, 3.57 pm, 4.04 pm, 4.11 pm, 4.18 pm, 4.25 pm, 4.32 pm, 4.39 pm, 4.46 pm, 4.53 pm, 5.00 pm, 5.07 pm, 5.14 pm, 5.21 pm, 5.28 pm, 5.35 pm, 5.42 pm, 5.49 pm, 5.56 pm, 6.03 pm, 6.10 pm, 6.17 pm, 6.24 pm, 6.31 pm, 6.38 pm, 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Let's assume you don't wish to look like everyone else.

It's nothing unusual these days to be asked to pay £11,000 for a new motor car.

But apparently it's asking a lot more if, in so doing, you wish to separate yourself from the great mass of 2.8 litre look-alikes which inhabit the company car park.

Identity crisis averted.

Glance again at our saloon. The Royale could hardly be described as look-alike, neither does it ask you to pay any more, nor are there masses of them.

The engine delivers all you might expect from 6 cylinders. We'll just mention a top speed of 115 mph.*

And because the engine develops maximum torque at only 3400 rpm, you never get the feeling it's overstretching itself, no matter how much of a hurry you're in.

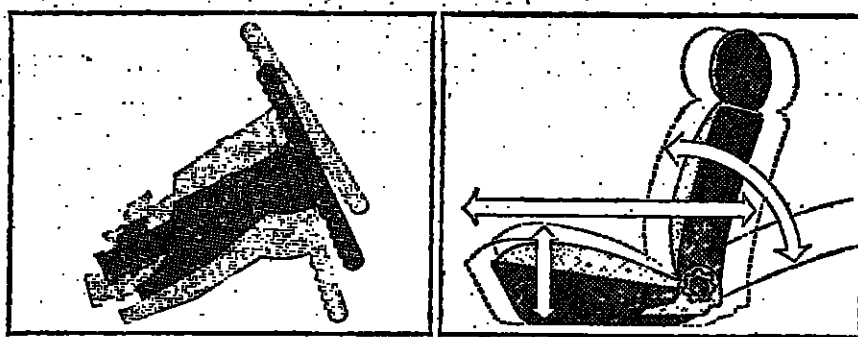
You'll feel good inside.

The interior appointments could well be termed 'by appointment'. The doors lock centrally, the sun roof is steel and the radio/stereo cassette player has not two speakers but three.

The tinted windows are electrically operated as is the release for the boot.†



Each seat offers the comforts of crushed velour plus its own fully adjustable head restraint.



All directors were not created equal.

Perhaps most important, the driver's seat adjusts for height as well as for reach and rake, and the steering wheel is tiltable. A couple of minor corrections could make you not only a more comfortable driver, but a much safer driver.

You can rely on our support.

You can see that the Royale has a beautifully aerodynamic shape.

What you can't see is the brilliantly engineered suspension that supports it and you to create a ride of quite joyful smoothness.

Also what the eagle-eyed amongst you won't have failed to notice is that the Coupé in our picture sports a '3 litre petrol injection' badge. (So does the Saloon, they're our latest additions. Royale 3 litre Saloon: £12,046. Royale 3 litre Coupé: £12,633).*

Naturally, overall performance is an improvement on our 2.8 litre models.

"And," we hear you say, "2.8 and 3.0 look exactly the same."

But is looking like another Royale such a dreadful burden?

Your driving ambition realised.

See your Vauxhall dealer. Once you've tried the Royale, you'll realise there's very little further you can go.



ROYALE PRICES START AT £11,012. ALL PRICES CORRECT AT TIME OF GOING TO PRESS INCLUDE CAR TAX AND VAT BUT NOT DELIVERY OR NUMBER PLATES, AND ARE BASED ON MANUFACTURER'S RECOMMENDED RETAIL PRICES. †SALOON ONLY. *SOURCE: MANUFACTURER. FOR DETAILS OF YOUR NEAREST DEALER SEE YOUR YELLOW PAGES OR RING LUTON (0582) 426388.

VAUXHALL
ROYALE

HOME NEWS

BBC journalists get assurances on security reporting

By Kenneth Gosling

BBC unions are satisfied that their journalists are not prohibited from inquiring into all aspects of security in Britain. Union representatives met Sir Ian Trethowan, director-general of the BBC, yesterday and a joint statement by the National Union of Journalists and the Association of Broadcasters and Allied Staffs, which had asked for the meeting after allegations of censorship of a Panorama programme on the security services, said they were pleased that a constructive approach had been taken to the matter.

The union also noted that the original material was to be shown as two programmes, one on security, the other on privacy.

It is understood that the union representatives were given assurances that an order to a reporter not to make contact with certain sources was a mistake and would not happen again, and on the way in which Sir Ian had asked for members of the journalistic team working on the original programme.

The BBC also made a statement setting out Sir Ian's explanation to the unions of the background to the affair. He said the normal editorial process of the BBC operated through several levels and that on occasion editorial matters of special sensitivity were referred to him as editor-in-chief. It had always been recognized in the BBC's formal guidelines that although programmes dealing with security issues were proper matters of journalistic

inquiry, they required reference to higher levels.

In this case a 100-minute programme was made after the project had been approved last summer; it was seen by himself and several senior colleagues. There had been no question of anyone "passing" the programme before he had seen it. Mr Alastair Milne, managing director, BBC Television, then indicated that BBC 1 did not want to carry a special programme and that it wanted the material condensed into a normal 50-minute Panorama.

Sir Ian had made some editorial comments on details of the programme and asked for it to be strengthened at certain points.

He suggested that one sequence, dealing with the serious but different question of privacy, could be transferred to a separate programme.

On the Government's role in the matter, Sir Ian said Panorama had at the outset written to a number of leading figures in the security services, past and present, seeking their co-operation.

"The Government replied on their behalf indicating that no cooperation would be forthcoming because it believed that such a programme could damage the security services. But no one had challenged the BBC's editorial independence."

The programme dealing with the accountability of the security services would go ahead; Sir Ian said it would be seen as dealing responsibly with a matter of legitimate public concern.

Ashmolean attempt to buy ancient Greek vase fails

From Our Correspondent

Oxford. The Ashmolean Museum, Oxford, has failed in its attempt to buy an ancient Greek vase, despite raising enough money to do so.

The amount rivals the successful bid of £211,850 made by the vase's owner at a Christie's auction last July, but he has refused to sell it to the museum.

The 14th vase, known as the Northampton Amphora, dates from the sixth century BC and was sold by the Marquess of Northampton, whose family had owned it for nearly 150 years. An export licence was deferred to enable the Ashmolean to match the price paid by the successful bidder, whose identity has not been disclosed.

The museum raised the money before the deadline last November, mainly with the help of promises of grants from the Victoria & Albert Museum and the National Art Collection Fund. Now that money is being released, about £10,000 donated

by Oxford colleges and Oxford University is being returned and the museum is writing to 400 private contributors to ask whether they want their money back.

Mr David Piper, the museum director, said: "It is a great strain to raise so much money and then to be told you cannot use it. It will disappoint so many people who answered our appeal."

"It has been made clear to us that it was a point of principle to the owner. He would not have accepted it even if we had made a much higher offer."

Mr Piper said that the museum had not been officially informed who the new owner of the vase was, although it had "a pretty shrewd idea". He would not say whether the owner was English or foreign, or why he wanted to export the vase.

The museum does not know where the vase is, but the owner will now be unable to apply for an export licence for 10 years because the Ashmolean bid for the vase.

Heart transplant operations to continue

By Nicholas Timmins

The continuation of the heart transplant programme at Papworth Hospital was approved yesterday by the Cambridge-shire Area Health Authority.

No formal decision was taken, but the authority received a report on the programme saying that, waiting lists had not increased as a result of the transplant programme.

The report notes that after the Panorama television pro-

gramme on brain death last October, the initially favourable public reaction to heart transplants has diminished.

Mr Robert Jefford, deputy area administrator, said the meeting took note of a proposed four-year evaluation of the programme, funded by the Department of Health, which would study its effects on the hospital and provide guidance in assessing the priority of transplants.

The programme, in which 15

transplants have been completed, with 10 recipients still alive, has been questioned partly as a result of disagreements among staff at the hospital, and partly from fears that treatment for heart conditions not suitable for transplantation were suffering.

The report says that while personal differences of opinion have caused some disharmony among staff at Papworth Hospital, nursing recruitment and morale has improved.



Sir Robin Day with his sons, Daniel and Alexander, and (right) Miss Gwen Berryman, MBE, who played Doris Archer on BBC radio, after a Buckingham Palace investiture yesterday.

Trade body expels car dealer

By Peter Waymark

Motoring Correspondent

Raymond Way Motors of Kilburn, north London, has been expelled from the Motor Agents' Association, the garage trade body, for allegedly failing to deal with complaints about second-hand cars.

Two motorists who bought used cars from Raymond Way Motors complained to the association about their poor condition. The association tried to investigate, but it is said the garage ignored its letters and telephone calls and failed to attend a disciplinary hearing.

The association said: "Our code of conduct obliges our members to cooperate with our conciliation service on customer complaints and Raymond Way Motors lamentably failed to honour this undertaking."

The decision to expel Raymond Way Motors was taken unanimously by the association's national disciplinary committee of 12 senior members.

The garage has been told that it must not display the MAA membership sign or issue any document bearing the association's badge or name.

Raymond Way Motors said yesterday it was appealing against the association's decision but would make no other statement.

Police searching for arson motive

Stopped clock clue to blaze that killed 13

By Stewart Tendler

Crime Reporter

A charred and blistered wall clock is among the debris taken from the South London house where 13 young people were killed in a sudden, early-morning fire. Running 15 minutes slow, the clock stopped at 5.30 am on January 18. It would have taken about four minutes for the growing blaze in the front parlour at No 439 New Cross Road, to reach and stop the clock.

If all the calculations are right, just before 5.30 a fire broke out in the front room of the house. The fire spread upwards through the house, ending in panic and terror, an all-night party for two coloured teenagers.

Today the event is marked at Brockley Park police station by an ever-growing pile of statements—400 at the last count. On the wall in Commander Graham Stockwell's office the house is blocked out in solid black on the grey-and-white of an enlarged Ordnance Survey map.

The red-brick Edwardian station is normally in the care of a single policeman but more than 50 officers under Mr Stockwell are working there. Elsewhere a fire brigade investigation team is at work.

There remains little doubt that the fire was started deliberately but while fresh information has brought clarification of some evidence it tends to pose new questions.

Mr Stockwell's men have traced more than 180 people who were at the party. Some were gatecrashers. There are possibly a further 10 of 12 people who were at the party.

Detectives face finding people like "VW" or "Stevie's Brother" with little more information than that.

Thirty cars and their drivers near the house have been traced, including the man who was seen outside the house at the time of the fire before speeding off in his car. He came forward to say he saw the fire in the front room, pushed open the unlocked front door and raised the alarm before driving to a police station nearby to report the blaze.

Police believe that was the man who was apparently throwing something at the house. He was in fact shielding himself. In the rush to answer the fire call his name was not taken at the police station.

No one inside the house remembers seeing anything unusual in the front room on the ground floor before the fire. The room was used intermittently throughout the night. When the fire started people went into the room and believe they saw only the curtains on fire.

The scientists' evidence shows that that room was the seat of the fire even though there is no explanation of how the paint thinner got there. It is a rare material for incendiary attack. A search of the debris has produced no container.

Above all there remains the question of motive. The police are still searching for a Rover car with black youths seen near the house and a white car with smoked windows driven four to six times past the house by a fair-haired white.

The party was attended almost entirely by young blacks. In an area of some racial tension the fire has been interpreted as a racially inspired attack.

Twenty candidates nominated for London's vice-chancellorship

By Diana Geddes

Education Correspondent

About 20 names have been put forward as candidates for the vice-chancellorship of London University from next September. They include Lord Annan, the present vice-chancellor; Lord Flowers, rector of Imperial College; Mrs Shirley Williams; Professor Ralf Dahrendorf, director of the London School of Economics; and Dr Bryan Thwaites, principal of Westfield College, London.

The appointments committee, consisting of university academics, senior members of convocation and members of the university court, meets for the first time today to make recommendations on the appointment of London's first vice-chancellor to combine the posts of academic and administrative head of the university. The successful candidate will not be announced before March 2 when the appointments com-

mittee has its final meeting. Any member of the university may put a name forward; the candidate does not even need to agree to his or her nomination.

There is still doubt whether Lord Annan, whose term of office ends in September, would be willing or able to stay on for a few more years. He will be 65 next Christmas, the university's official retiring age.

The new statutes, under which the vice-chancellor will be appointed, stipulate that he or she will be appointed for a period of not less than two and not more than four years, with the possibility of re-appointment for a further four years. Until now, the vice-chancellor has been appointed for one year at a time.

Lord Flowers, who chaired the committee of inquiry into London's medical schools, is considered a front runner, but there is some feeling that his internal candidate would find it difficult to take the impartial

view required over the next few turbulent years of the university's history.

The university is also in the midst of electing a new chancellor, a largely ceremonial title held for the past 25 years by Queen Elizabeth the Queen Mother until her resignation last December. More than 35,000 votes from members of the university's convocation have been received so far.

Polling closes on Saturday the 63,000 former graduates of the university, is eligible vote. The last time there was a poll of convocation there were 5,000 votes were received.

The three candidates for the chancellorship are Prince Anne, Mr Nelson Mandela, imprisoned South African nationalist, and Mr Jack Jon former general secretary of Transport and General Workers Union.

In brief

Cotswold direct rail link to end

Commuters are to fight a British Rail decision to end direct City services on the Cotswold-Worcester line through the Cotswolds, the route regularly used by Sir Peter Parker, BR chairman. Passengers will have to change at Oxford from May, 1982.

British Rail is replacing heavy diesel locomotives with lighter units because the track is wearing out and it cannot afford £1m to renew it.

Busmen march in fares protest

Three hundred busmen marched through Bristol city centre today to demand the scrapping of fare increases. No buses have run on city routes since nine men were dismissed on Sunday for refusing to collect the new fares.

Press officers defended

Criticism of Whitehall press officers by Mr Michael Heseltine, Secretary of State for the Environment, has been rejected by Frank Beckett, president of the National Union of Journalists.

Benny Goodman visit

Benny Goodman, the American jazz clarinetist, will visit Britain later this year to give a series of classical recitals at the Benson and Hedges Music Festival at Snape Maltings, Aldeburgh, Suffolk.

Jail inquiry head

Det Chief Supt Kenneth Merton, of Scotland Yard, was appointed yesterday to investigate allegations of a drink, drugs and gambling ring at Wandsworth prison, south London.

Gary Glitter banned

Gary Glitter, the pop singer, was banned from driving for three years and fined £150 by magistrates at Witham, Essex, yesterday for a drink and driving offence.

£16m conference centre

Bournemouth council is to build a £16m conference centre with a sports hall, swimming pool and an exhibition hall seating 4,000.

BL is found guilty of racial discrimination

From Our Correspondent

Birmingham

British Leyland has been found guilty of racial discrimination in its plant at Acocks Green, Birmingham.

The Employment Appeals Tribunal has ruled that the company discriminated when it gave in pressure from workers and discriminated against Mr Rolston Deson, a West Indian, aged 40, who is an Anglican lay preacher.

The discrimination arose after Mr Mick Cherry, who stood as a National Front parliamentary candidate in the last election, was moved to work with Mr Deson in a two-man team.

Mr Deson, of Tarry Road, Alum Rock, Birmingham, complained of racial abuse, and difficulties at work; both men were moved to opposite ends of the shop. Management was told by shop stewards there would

be a strike if the white man moved, and the black man moved.

Mr Deson claimed it was fair to move him because he had been doing the job for three years before Mr Cherry joined him.

A Birmingham Industrial Tribunal heard a racial discrimination claim that he was racially discriminated against because said, he had suffered no detriment.

The appeals tribunal has said that decision on petition of the Commission for Racial Equality which represented Mr Deson, British Leyland had not been undertaken on racial grounds, company's petition was rejected. The question of compensation was left for another tribunal but an out of court settlement is expected.

Farmers ask for Thatcher talks on bank interest

By Hugh Clayton

Agriculture Correspondent

Almost half of the net income of British farmers was being used to pay interest on bank loans, Mr Richard Butler, president of the National Farmers' Union, said yesterday.

He asked for an early meeting with the Prime Minister after hearing bitter speeches about the economic squeeze at the annual meeting of the union in London.

Mr Butler said in a letter sent from the meeting to Downing Street that the Government seemed to be campaigning for a further low increase in EEC farm prices.

"This is indefensible, and would be monstrously unfair," Mr Donald Wilkinson, chairman of the worst branch, appealed to the Government to cut interest rates immediately, and in the Budget next month.

"Rid us of this yoke of usury. Farmers and growers owe the banks some £3,000m-plus, and pay them in interest £500m per annum."

Many members were aggrieved that the Government injected cash into nationalized industries while giving little to farmers.

Local authority accused of sectarian bias

From David Nicholson-Lor

Belfast

Evidence of discriminating against Roman Catholics being found by Northern Ireland's Fair Employment Agency in its first comprehensive investigation of an authority's recruitment, local officials say.

The annual meeting of the unionist-controlled Cooks District Council, co-Tyrone, agency says there is a "religious imbalance" in staff when compared with local population. It demands a report which would monitor senior appointments and the introduction of procedures.

The findings will provide ammunition for those who, against any plan to hand substantial powers back to the district, demand that the agency should monitor senior appointments and the introduction of procedures.

The main local government functions, such as education and planning, have since early 1970s been run by ministers and civil servants.

The agency's report on the town found that 45 per cent of job applications were Catholics and 55 per cent Protestants, closely reflecting the population of the area.

The agency attributes the imbalance to the overwhelming control of the council by the years.

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Bombed ship in Irish waters

The wreck of the Neel ship blown up by the Provisional IRA last week in Irish waters, the Irish minister said yesterday. British and Irish authorities have been waiting for information on who has jurisdiction over the area where the ship was blown up. The vessel was cleared of explosives when IRA says are aboard.

Stormy passage likely for sick pay Bill

By Pat Healy

Social Services Correspondent

Continuing opposition from employers is expected to lead to a stormy passage for the Government's Bill to transfer responsibility for sick pay from the national insurance system to employers. The Bill, which is expected to be published tomorrow or Friday, is likely to be opposed in the Lords if it survives the Commons.

Further concessions offered to employers this week by Mr Patrick Jenkin, Secretary of State for Social Services, have not succeeded in persuading the main employers' body, the CBI, to call off its campaign against the Bill.

Expert calculations show that, at 1980 prices, the proposed sick pay for single people, but less for people with children.

The £35m cost to the PSBR is based on the difference between savings from the proposals and the loss to the Government from reducing employers' national insurance contributions in return for the extra burden of having to pay sick pay.

The Bill will set the standard of sick pay for the first eight weeks at £35 a week instead of £30 as proposed in a Green Paper last year. But that amount would be paid at a flat rate to all sick employees, irrespective of their family circumstances.

It is acknowledged that a flat-rate payment will result in higher sick pay for single people, but less for people with children.

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Campaign to give mentally ill the right to vote

By a Staff Reporter

A campaign to give the vote to thousands of disenfranchised mentally ill and handicapped people was announced yesterday at a meeting in the House of Commons by MIND, the mental health charity.

Mr Charles Irving, Conservative MP for Cheltenham and chairman of the all-party parliamentary mental health group, said it was a national scandal that under the law people in psychiatric and mental handicap hospitals did not have the right to vote.

He said there were probably more than 60,000 who needed little care but who had no other home. The fact that they were also disenfranchised was nauseating.

Under section 4, sub section 3 of the Representation of the People Act no one may use a mental or a mental handicap hospital as an address for voting purposes.

Mr Jack Straw, Labour MP for Blackburn, who chaired the meeting, said that created an anomaly because patients in psychiatric wards of general hospitals, in geriatric hospitals or hostels could do so.

Vehicles offence terms too loose, police say

By Marcel Berlins

Legal Correspondent

The new offence of interference with motor vehicles in the Criminal Attempts Bill would not adequately fill the gap left by the abolition of the "sus" laws, police witnesses told the Commons special standing committee on the Bill yesterday.

In contrast to most witnesses to the committee, which was holding its third and last sitting on the Bill yesterday, the police said that the new offence, far from being unnecessary or raising the same difficulties as "sus" would allow a number of potential criminals to go free.

A memorandum to the committee from the Metropolitan Police said: "We are concerned that the general public will not be afforded protection from housebreakers, street robbers and pickpockets."

The Law Society took the opposite view: the new offence of interference with vehicles was unnecessary, too certain in application, and could create the same problem as arose with "sus".

Oxfordshire bows to RC pressure on pupils' fares

By Our Education Correspondent

Oxfordshire

Oxfordshire County Council yesterday reversed a decision to stop paying school bus fares for pupils attending Roman Catholic schools. The council had threatened to take the council to court.

At present, Oxfordshire pays school bus fares for about 750 pupils to attend Roman Catholic schools at an annual cost of £123,000 and the council had recommended that should be

phased out from Sept. There was an immediate protest from Catholic parents.

The Roman Catholic commission for Birmingham, into whose area Oxford falls, said that if the council refused, it would be a Secretary of State to direct the council to provide free transport for children at church schools. If the council refused, it would take it to the High Court.

County stops school meals

From Our Correspondent

Lincoln

School meals are to be stopped in Lincolnshire with the loss of 1,500 jobs, the county council announced yesterday.

From March only those children entitled to free meals will be catered for in primary schools, and secondary pupils face the same at the end of the summer term.

Announcing the decision, Mr Peter Heneage, the education committee chairman, said the National Union of Teachers was pricing its members out of jobs by refusing to accept new contracts offered by the council, he said.

Last year the council had a cafeteria service union opposition to end school meals. The service was scrapped, and the council registered an industrial dispute over the new offer to its members.

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For more information write to Captain W.J. Flindell RN, Officer Entry Section (9BR2), Old Admiralty Building, Spring Gardens, London SW1A 2BE.



HOME NEWS

Challenge to equality inquiry on mortgages

Lucy Hodges, The Provincial Building Society in Bradford, the ninth largest in the country, said yesterday it would challenge the Equal Opportunities Commission to its mortgage lending policies.

The society said it did not discriminate against women; therefore it could not accept the commission's investigation. It denied that its lending terms were discriminatory in any way.

The commission announced yesterday that it would be formally investigating the society to see whether its policy and procedures for dealing with mortgage applications from couples or mortgagors discriminated against women.

It said it would examine, in particular, "instructions to staff which the commission believes may result in women being treated on a less favourable basis than men, and treatment of women's earnings in assessing their ability to pay."

The society said it treated applicants as people. "The society has tried to discuss its current lending terms with the commission without success," it said yesterday.

A spokesman said that if a couple approached the society for a mortgage, the sum of their incomes would be multiplied by 1.8 to assess how much they could be lent. The company had abandoned its policy of multiplying the higher earner's income by 2.25 and adding that to the lower earner's to establish how much could be lent.

The commission's investigation is expected to take a year, but it finds evidence of discrimination it can issue a non-enforcement order, which is enforceable in the courts. The commission receives a large number of complaints about mortgages. That is the second highest area for complaint in its goods, facilities and services section.

In 1978 the Equal Opportunities Commission asked the Consumers' Association to investigate whether building societies discriminated against women (Robin Young writes). Of 169 building society branches visited, the association found that more than one third did discriminate by using lower multiples on women's incomes. Building society head offices denied there was any discrimination.

Gang stole mint cash after smashing way into train, jury is told

From Tim Jones, Cardiff

A jury at Cardiff Crown Court was told yesterday how with daring and courage a gang smashed into coaches carrying bullion from the Royal Mint in South Wales as the trains travelled to London.

The raids had been planned for months, if not years, and the stakes were extremely high, for some of the wagons carried more than £500,000, it was stated.

Mr. Llewellyn Christopher-Jones, for the prosecution, said the raids, over a three-year period, had certain elements of a "wild West" adventure, except that the gang used cars instead of horses.

James Dowling, aged 47, of Feltham, London, and Bernard Moxham, aged 51, of Denham, Buckinghamshire, both pleaded guilty to three charges of theft totalling more than £36,000. Mr. Moxham's brother Arthur, aged 49, of Hayes, London, admitted one charge of theft involving £36,000 in two charges of handling stolen money totalling £1,700.

Mr. Christopher-Jones said that on the first raid Mr. Moxham and Mr. Bernard Moxham boarded the train at Bristol Parkway station, broke the security padlock on one of the wagons, and threw 118,700 of 50 pence pieces in bags on to the verge at a stretch of track where the train was forced to slow down. They jumped from the train and loaded the bags into Mr. Moxham's car which he drove to Newcastle.

Security was tightened and the wagons were loaded door to door on the flat bed trailers, counsel continued. In the next raid the gang tried to cut into a wagon with a power saw. The attempt failed. The saw was recovered from a farm near Newcastle, where it was kept by Mr. Moxham.

On the second raid counsel said, the gang used crowbars and axes to smash into a container. The trial continues today.



An urban eyesore that has disappeared: Landore, two miles up the valley from the city centre.

Wasteland devastated by copper fumes reclaimed in pace-setting project Swansea gives new life to its blighted valley

By John Young, Planning Reporter

In the middle of the Tawe valley, two or three miles from the Swansea waterfront, lies a big copper waste tip. It has a sort of eerie beauty and since it is the last of its kind in the valley, local opinion is divided on whether it should be left as a memento to the city's murky and malodorous past.

In the early nineteenth century Swansea seemed set to emulate such salubrious resorts as Brighton and Scarborough. With its superb sandy bay, steep hills and mountain backdrop, it had obvious attractions for those who built the elegant town houses, of which a few survive.

Within an astonishingly short time the "black gold" mined from the narrow valleys to the north changed its character irrevocably. Ships laden with ore from all corners of the world streamed into the docks, and by 1891 there were no fewer than 137 metal processing plants forming the greatest industrial concentration of its kind likely to be seen.

A century ago nearly three-quarters of the world's refined copper production was concentrated in the lower Swansea valley. The poisonous smoke and fumes destroyed vegetation, creating a nightmarish landscape that fascinated and appalled visitors.

Changing techniques and patterns of world production gradually made the processing plants obsolete, and the last two shut a few months ago. In 1974 the city council began reclaiming nearly seven miles of the valley, the largest single area of industrial dereliction in Britain.

The project is divided into three main parts. At the seaward end of the valley the disused docks, some of which had been partly filled in to make way for a now abandoned urban motorway, are being dredged and landscaped to provide a marina and other boating facilities.

It is hoped to build a barrage across the mouth of the river to prevent ugly mud banks being exposed at low tide.

The central section is in many ways the most striking, consisting mainly of parkland, burgeoning heath and woods where until recently nothing would grow in the polluted soil. It includes a new athletics track, the second largest in Britain.

The third section, furthest up river, is to be a light industrial estate, part of which has been designated as one of the new government-authorized enterprise zones where investors will be granted special tax incentives and relative freedom from planning controls.

The new athletics track built on land so polluted until recently that nothing would grow.

Girl aged 10 makes her debut as playwright

By Martin Huckerby, Theatre Reporter

A north London schoolgirl aged 10 is to have *Perfect Pigs*, her first play, given a professional production at the Royal Court's Theatre Upstairs next month, as part of the 1981 Young Writers' Festival.

There were 330 entries from people aged up to 18, and the short play by Susana Kleeman, of Hamilton Terrace, St John's Wood, was one of four selected for production. The quarter will be performed nightly from March 11 to 23.

Susana's play, *Perfect Pigs*, is described by the theatre as an hilarious account of a family of guinea pigs, who include Boris, a bossy communist guinea pig, Elvira, who is God-fearing, and Edward, who is not very bright.

The Royal Court said it was an astutely written funny play. The staff had scarcely been able to believe that it had been written by such a young girl.

Susana said yesterday that the idea for the play came from her mother, who suggested attributing human thoughts to the family's two guinea pigs. *Perfect Pigs* is very much a comedy. "I could not write a serious play; it would be too boring," she said.

She likes writing poems and stories, but she had never tried to write a play before. Once she had started working on it: "I began to know the characters diminished and she completed the play, which will last for about half an hour."

There is one and a half aspect: her two guinea pigs have died.

The other winners are: Helen Slavin, aged 14, from Lancashire, whose play, *Detention*, is about the relationship between two young people; Tony Newton, aged 18, from north London, who wrote *Start Again*, about a young man returning home after a two-year absence; and Nick Davies, aged 20, from Burton upon Trent, who wrote, at the age of 18, the play *Lid*, about a student doing a vacation job in a pie factory.

Two further works, *Hiroshima* by Atkins Orr, by Sean Brennan and *Soldiers of Destiny* by Tomas Bartlett, will be given readings during the festival, and on March 28 there will be readings of the best of the rest by the young writers.

Mr. David Sulkin, the festival organizer, said that this year there were more entries from younger children than from older teenagers.

Isolation of girls' borstal is deplored by MP

By Our Home Affairs Correspondent

No visits were made by probation officers or social workers to 29 per cent of the girls released in 1980 from Bullwood Hall, near Hockley, Essex, while they were in that borstal. The figure was the same for 1979.

Mr. Patrick Mayhew, Minister of State at the Home Office, gave the information in a written reply to a parliamentary question by Mr. Robert Kilroy-Silk, Labour MP for Ormskirk.

No visit was made by family or friends to 13 per cent (23 per cent in 1979); and 16 per cent (20 per cent in 1979) had only one visit from relatives or friends.

Mr. Kilroy-Silk said: "It is small wonder that these girls find it so difficult to reintegrate into the community. Clearly the isolation of Bullwood Hall must be a major factor and yet another reason why it should be closed down. If a borstal is indeed thought to be necessary for girls, then it ought at least to be near to their homes and families."

Acquitted after judge's doubt on police threat

Richard Hill, aged 18, was cleared at Newport Crown Court, Gwent, yesterday of stabbing a policeman after Judge Powell spoke of lurking doubts that a detective threatened him into confessing. The judge ordered the jury to find him not guilty.

A year ago at Gloucester Crown Court Mr. Hill was jailed for three years when he was found guilty of wounding Police Constable Richard Page with intent during a confrontation between "Punks" and "Teds" in a Gloucester shopping precinct.

In October the Court of Appeal, led by Lord Lane, the Lord Chief Justice, quashed the conviction, set aside the sentence and ordered a retrial.

The court was told that after an appeal by Mr. Hill's parents six teenagers had exonerated Mr. Hill and named another man.

Mr. Hill, of Lewis Avenue, Longford, Gloucester, claimed at Gloucester Crown Court that he confessed to the stabbing only because of threats from a detective sergeant.

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The main task facing Mr Braks and the Commission is how to reconcile British and French views on the right of coastal states to reserve their waters wholly or partially for their own fishermen up to a certain distance from the shore.

He claims that fishing off the north-east of Scotland, in particular, is "fundamental and essential" for France and he could not accept restrictions of any kind there. This, however, is precisely the area Mr Walker considers to be most in need of protection.



The attacks on Iberdrua, which cost the lives of several workers and policemen in various incidents before the murder of Señor Ryan, went on over the weekend. On Sunday morning, according to reports published here today, a explosive charge, believed to have been placed by the ETA, damaged a transformer station near Burgos.

Under Article 99 of the Constitution, the candidate, alone and without any Cabinet colleagues named, then seeks a vote of confidence. He must

Forestieria armed elements, and the prevailing tension all contributed to the Dutch soldiers of Unifil reporting what they thought they had seen, rather than what actually occurred." —AP.

Thur. [Western Europe's help in persuading Israelis and Palestinians to accept mutual

three times with a loaded r on her way to the chamber. T other Labour MEPs called behaviour of the gua "loutish".

Leading article, page

next to where this wall was standing. Then our patrol went off round the village and it had not been gone five minutes when the bomb went off. We came straight back but there was no one here."

Major Haddad's Israeli-

While this was going on, an Irish unit billeted 50 yards away came under fire. By the time they had fired back and reached the fourth house, there were only bodies beside it. Mr Mansour's home was blown up a week later and the local doctor

Callaghan, an Irish United Nations veteran, will, we are told, take a tougher line with any paramilitary group that tries to push the United Nations around. But Major Haddad's inci-

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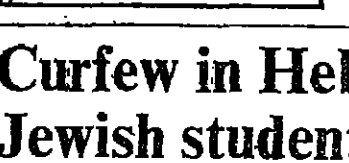
reader may

Italy has recently suffered a series of blackouts due to an overburdened grid.

The reason said to have been given to the Russians is that

Although this concept of Jerusalem as an international city has been rejected by Israel and the Arab countries, a number of countries including the United States, Spain, and Belgium continue to maintain

But tonight, the authorities



...permitting Jews to settle in the
centre of Hebron, which has
been an exclusively Arab town
since the last Jews fled in 1929.
After more than 50 of the
small community were killed.
For the government of Israel

...the ...

OVERSEAS

President's son under investigation in California

From Ivar Davis
Los Angeles, Feb 10

President Reagan's eldest son is under investigation for allegedly diverting funds invested in a gasoline project to his personal use, the Los Angeles Times reported today.

Mr Michael Reagan, aged 35, who lives in Sherman Oaks, a suburb of Los Angeles, is alleged to have offered and sold stock in a corporation that, according to court documents, was planned but never incorporated.

The Los Angeles District Attorney's Office as well as the California Department of Corporations is investigating the matter. They are said to be seeking information on how the President's son used \$17,500 (about £2,500) given to him by investors to buy shares in his energy resources venture.

Mr Reagan has told investigators that the company, which he runs from his home, is involved in the distribution of gasoline, but also serves as a broker in procuring alcohol for use as a fuel additive, the newspaper reported.

In addition to the alleged diversion of funds, investigators are also looking into possible violations of state corporate securities laws involving the offer and sale of company shares. Neither Mr Reagan nor any of his associates have been charged with any crime.

Today Mr Reagan's lawyer, Mr Donald Wager, said: "I'm sure he (Mr Reagan) going to be exonerated by the time the investigation is complete."

Scandals involving family members of reigning American Presidents are not unusual. When Mr Richard Nixon was President, his brother, Donald, got into hot water over a loan he obtained from the late millionaire Howard Hughes.

But perhaps the best known case involving a President's close relative was that of Mr Carter's younger brother, Billy, and his connection with the Libyan Government.

The investigations into Mr Michael Reagan have shocked people in Washington and California who know the family. Married with his own family, Mr Reagan is considered the most solid of the President's offspring.

The others are extremely colourful and have made the front pages for a variety of reasons. President Reagan's oldest child, Maureen, aged 38, is an outspoken woman who has been twice divorced.

The President's other daughter, Patti, is an actress whose career has taken off since her father moved into the White House. His youngest child, Ronald, aged 23, is a ballet dancer, who apparently did not invite his parents to his recent wedding.

Pentagon said to want extra \$32,000m for US armed forces

From David Cross
Washington, Feb 10

The Pentagon is reported to want an increase of about \$32,000m (£13,675m) in American defence spending over and above the record military budgets submitted by former President Carter for this year and next.

According to officials in the Defence Department and in the defence industry quoted by The New York Times today, the additional funds would be spent on extra ships for the Navy, tactical aircraft and a new bomber for the Air Force, and recruit more Army staff and pay increases for existing members of the armed forces.

These proposals are closely in line with the military priorities outlined by President Reagan and his staff during the recent election campaign. The bulk of this year's extra defence spending, totalling about \$7,000m, would go towards improving military readiness and pay scales. It would bring the present defence budget to a total of \$178,000m.

The plans for new ships and aircraft would await the next financial year which begins on October 1. That year's budget would rise to about \$220,000m, according to The New York Times.

Mr Caspar Weinberger, the new Defence Secretary, has announced that he will retain General David Jones of the Air Force as chairman of the joint chiefs of staff against the wishes of Mr Reagan's most conservative supporters. The latter accused General Jones of aligning himself too closely with controversial decisions like the cancellation of the B1 bomber during the Administration of President Carter.

Nevertheless, a Defence Department spokesman has announced that General Jones has been asked and has agreed to serve the remaining 18 months or so of his term of office. The general is reported to be delighted with his new boss's decision.

By contrast, Congress will not be entirely pleased by the Pentagon's plans for a huge increase in military spending when all other areas of federal spending, including welfare programmes, are destined for large-scale reductions totalling about \$50,000m over the next couple of years.

The Defence Department is expected to try to take some of the sting out of the proposed increases by trimming existing programmes which are lower on the list of the new Administration's military priorities. Mr Weinberger, who earned the title of "Cap the Knife" during one of his previous incarnations in Washington, is expected to be particularly adept at this exercise.

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General who opposed force to lead Poland

From Dena Trevisan
Warsaw, Feb 10

Although he has spent all his life as a soldier, the slightly-built General Wojciech Jaruzelski, who was yesterday proposed by the central committee of the Polish Communist Party to take the premiership does not look like a soldier. Rather he has the stamp of a Polish nobleman, which is his family background.

In the Second World War he went to the Soviet Union, where he joined the newly-formed Polish Army. Three years later, trained in the Soviet officers' school in Ryazan, he fought with the Dabrowski Polish Division, and joined the Polish Communist Party in 1947.

His whole career was spent in the armed forces, where in 1960, he was promoted to head the political department and later was assigned the job of chief of the Polish General Staff.

He has been Defence Minister since 1968 when the then Prime Minister, Mr Cyrankiewicz, took him into the government. At the same time, his political career in the party hierarchy continued to advance from membership of the central committee to the Politburo in 1971, thereby combining military activity with that of a politician in the highest party office.

He was the man often spoken of as likely to take up the post, either as head of state or at one time even as head of the party.

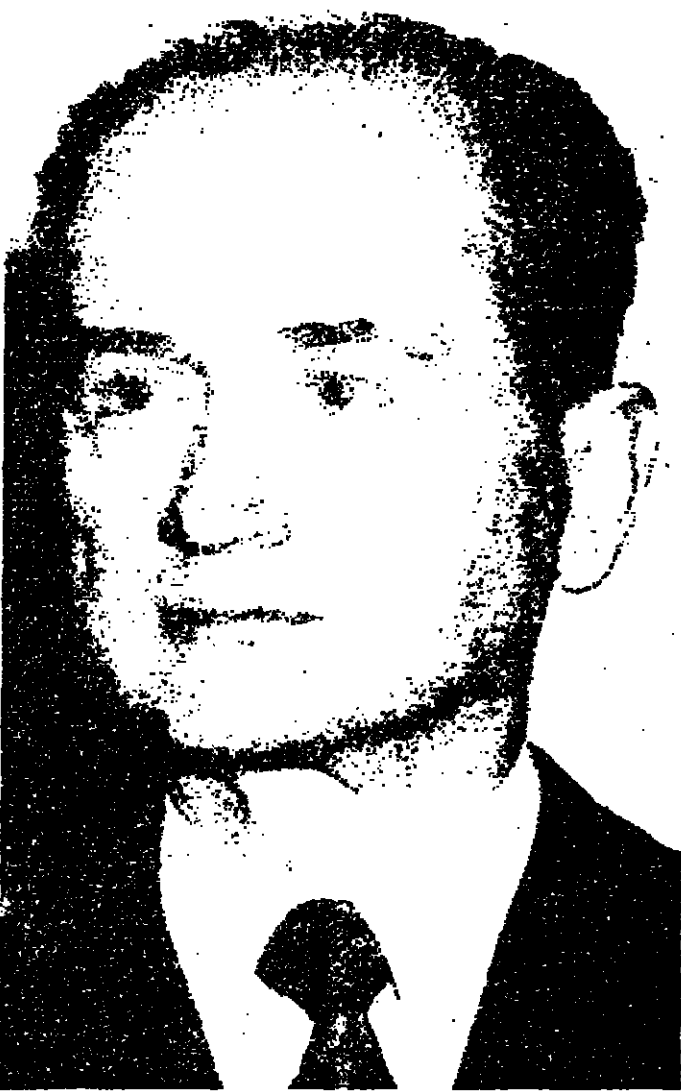
Though he seldom takes any public political position he is said to have been firmly opposed to using force in the Baltic riots ten years ago. As recently as last August it was largely due to him and to Mr Stanislaw Kania, the present party secretary, then in charge of army and security police in the Politburo, that force was not used against the strikers.

General Jaruzelski has the reputation of a moderate, but he is also representing the Army, which, since his term as Defence Minister has become a modern, well-trained cohesive force, regaining the traditional popularity among the Poles, who are proud of their Army.

Nevertheless, the Army's daily newspaper, *Zolnierz Wolnosci*, which represents the view of the Ministry of Defence, has throughout the recent crisis taken a harder attitude to the activities of the alleged anti-socialist forces, and expressed alarm over the deterioration in the social and political situation.

Compromise choice: General Jaruzelski's decision last summer to resist political pressure to call out troops against the strikers made the emergence of *Solidarity*, inevitably, a reality the authorities have had to live with ever since, Reuter reports.

Nevertheless, an informed political source in Warsaw says the appointment of General Jaruzelski, as a counter balance to the hardliners in the hierarchy, is seen as a "compromise", which will also please Moscow.



General Wojciech Jaruzelski: Politbureau to Prime Minister

Clashes feared at Iran revolution festivities

From Tony Allaway
Tehran, Feb 10

The colourful celebratory flags that have been hoisted in various parts of Tehran in the past few days belie the general apprehension over tomorrow's celebrations of the second anniversary of the revolution.

The press, some with special colour supplements, did their best today to paint the positive side of the anniversary, which marked the "victory of blood over the sword" in the words of one.

On the face of it, all those in politics after two turbulent years have cause for celebration that the revolution has survived enormous difficulties. But it is the nature of that survival and the deep political divisions it has created that give rise to fears about the outcome of tomorrow's festivities.

The newspaper *Islamic Republic*, representing the dominant religious fundamentalists today gave warning of a "widespread conspiracy to create clashes tomorrow, led by the 'American group' Peykar, which was involved in clashes in Tehran last Friday which left one dead and many injured."

The group, which is in fact extreme left, has issued a statement calling supporters to its own anniversary celebration outside Tehran university. The Government, the statement claimed, was not competent to hold the celebration because it had "deviated" the revolution.

If the meeting takes place political observers fear a repeat of last Friday's violence. Ayatollah Mahdavi Kani, the Interior Minister, said last night that security officials would act "decisively" against "those who intend to plot and create disturbances."

The timing of the demonstration clashes with one of the main events of the day, a speech by President Abolhasan Bani-Sadr at the large Azadi Square in the west of the city. It is not clear whether the President will use the occasion, as with his last big speech in

Tehran on November 30, to launch a further attack on his fundamentalist political opponents. The President's aides have indicated he will.

The difficulty for the President is that so many people are expecting him to add to his strong words of November. Political observers believe that should he choose to stay silent tomorrow it might distract a large section of his popular base.

Attempts may also be made, as in the past, to disrupt the President's speech before he has a chance to say anything. To add to the nervousness, the leftist, Islamic mujahidin, Khaliq guerrilla organization, which is closely associated with the President but is much reviled by the fundamentalists in the real seat of power, has called its members out in force to listen to the speech.

In an attempt to counter the publicity for the President's speech, his opponents have arranged a controversial ceremony in the afternoon in which the "nest of spies"—the former United States Embassy in Tehran—will be officially transferred for the use of the wounded of the revolution and the war with Iraq.

The move is in contravention of government indications that the compound would be handed to the Swiss Embassy in accordance with international law. It also ignores a statement by Ayatollah Beheshti, head of the Supreme Court, that the question of the compound would be dealt with by Parliament.

Suspension of US aid leads to political crisis

Only two options for Nicaragua

From Stephen Downer
Managua, Feb 10

Washington's suspension of economic aid to Nicaragua has contributed to a political crisis in the country which many Nicaraguans expect will peak within six months.

By then, it is widely felt, the Sandinista National Liberation Front, the country's main political force, will have to have made up its mind whether to become more moderate or more radical. These are the only two options, said Señor William Baez, a leading private business spokesman. "The country cannot continue in this way."

"There are probably going to be some internal political problems as the Sandinistas decide what to do," another private sector spokesman said. "They may decide to become more moderate or to blame their problems on the United States and become more radical. Whatever happens, there will probably be a purge of important people in the Government."

The Reagan Administration has suspended economic aid, while it investigates the use to which the money is being put. One of the conditions attached to President Carter's aid package was that Nicaragua should not interfere in other countries' affairs. In recent weeks, State Department officials have accused Nicaragua of intervening in El Salvador on the side of left-wing guerrillas fighting to overthrow the American-backed government.

Dr Arturo Cruz, a moderate member of the five-man junta governing Nicaragua last week denied Nicaraguan intervention in El Salvador. He said suspension of aid, could force the revolution to become more radical. There was no intention of turning Nicaragua into a totalitarian state. "It's inaccurate to say this is a Marxist-Leninist revolution and I personally feel it would be unjustified for Reagan to asphyxiate us financially," said Cruz, despite being a critic of the Nicaraguan Government's "inefficiency", backs Dr Cruz. "There are many people in this country, including myself, who think foreign aid to Nicaragua should continue."

He described Dr Cruz, who worked for 10 years with the Inter-American Development Bank in Washington, as the most crucial man in the country. "He is very well trusted by the private sector. He has very good international connections. He is an honest man and has no political ambitions."

He is the right man at the right time in the right place. In this crisis he will play a very vital role."

Managua is being administered by the junta but real political power is in the hands of the nine-man National Sandinista Directorate. The Sandinistas run key ministries such as Agrarian Reform, Planning, Defence and the Interior.

The private sector and the Government have been at loggerheads over how the economy should be run for the past year. Dialogue between them was suspended last autumn, when the private sector's six representatives on the 47-member Council of State resigned, and has not been reopened.

The move was in protest over the Sandinista-dominated council's alleged failure to permit political pluralism and what the private sector considered true press freedom, among other points.

The mass withdrawal complained the Sandinistas' problems. They were already under pressure from the Roman Catholic Church to release Father Miguel d'Escoto, the Foreign Minister, and other priests from their official Government posts. The Church says the men cannot be priests and politicians.

Labour unrest has helped cut industrial production by half and there are constant fears of a counter-revolution, which to the Sandinistas and Nicaraguan Government appears to be a very real possibility today.

Another headache has come from the agricultural sector. Nicaragua will lose between 15 and 20 per cent of its cotton and coffee crops in 1981 according to official and private sector estimates, due to a greatly reduced picking force.

Violence and political problems in Honduras and El Salvador have kept thousands of pickers from those two countries at home. The government has appealed to the population to help and last week the five junta members spent a day in the fields setting an example.

A similar case against a flight deck crew who were dismissed during the dispute is due to be heard in April. Captain Douglas Campbell, a Scot, his first officer, Mr John Maguire, and their two Singaporean colleagues were recalled from a Singapore-London flight and dismissed after they stood down at Zurich claiming overwork.

but the atmosphere among expatriate flight crews is still strained. Government negotiations on a new collective agreement with the union, which at one point were being threatened with deregistration, have been resumed with a deadline of between four and six weeks.

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Hopes rise for Guatemala deal on Belize

By David Spanier

Hope is rising that the long standing wrangle between Britain and Guatemala over the future of Belize, formerly British Honduras, may be settled this week.

After talks in New York last week, described as making some encouraging progress, Mr George Price, the Premier of Belize, is conferring with his colleagues, and on the other side, the Guatemalan Government is understood to be considering its own position in the light of the talks.

British and Guatemalan officials are to meet in New York again tomorrow. Although it is too soon to know if a deal will stick, the decision to meet is seen as hopeful.

Pilots escape punishment after illegal work-to-rule

From Our Own Correspondent
Singapore, Feb 10

A Singapore court today discharged without punishment 15 air crew of the state airline, Singapore Airlines, but fined their union, the Singapore Airlines Pilots Association, for taking illegal industrial action.

The union was fined 1,000 Singapore dollars (about £200) the pilots were set free because they have proved their good intent since the illegal work-to-rule last autumn. Their action ended with an ultimatum from Mr Lee Kuan Yew, the Prime Minister, that he would shut down the airline unless normal working resumed. All the pilots had pleaded guilty when first brought before the court last December.

There has been no disruption of flights since Mr Lee's threat

but the atmosphere among expatriate flight crews is still strained. Government negotiations on a new collective agreement with the union, which at one point were being threatened with deregistration, have been resumed with a deadline of between four and six weeks.

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OVERSEAS

Britain and the Third World: Far East investment projects set up

Pioneer spirit breaks ground in Indonesia

This is the second of four articles examining the work of the Commonwealth Development Corporation.

From David Watts, Singapore, Feb 10

Two projects of the Commonwealth Development Corporation (CDC) in South-East Asia epitomize the kinds of investment which light the eyes of CDC executives.

The latest, and the one of which they are most proud, is a pioneering venture which will bring jobs and development to an outback area of Irian Jaya, Indonesia, and the other is a longstanding investment, called BAL Estates in Sabah, east Malaysia.

The two ventures illustrate well CDC's two favoured activities—the first, breaking ground with a pioneer spirit, and the second, a glitzy, money-making now well established.

A year ago on February 10, 1980, a small barge was run ashore near the hamlet of Ransiki in Irian Jaya and logs dumped to form a temporary ramp for a bulldozer for ground clearance. This started one of CDC's more ambitious schemes which would ultimately yield handsome profits and provide organized development of agriculture in an area which provides only subsistence living for Indonesians.

To reach the Ransiki project requires a long, island-hopping flight from Jakarta to Manokwari from where it is still a sea

journey of more than 40 miles to the site.

The past year has been spent on site-clearing and preparing what will ultimately be a plantation of 755 hectares of cocoa and 260 of coffee involving a total investment of about £7m. Sixty per cent of the equity is being provided by CDC.

Only recently have the pioneering staff moved out of the tents they have been living in to permanent wooden houses on stilts in the local style. But the project has not been without hitches even though it is still at a fundamental stage of development.

The Ransiki river, which flows from hills a few miles inland from the project, spreads into a fertile alluvial fan which is excellent for agriculture. But not long after the project appraisal stage had been completed the Ransiki river burst its banks and changed course during exceptionally heavy rains in March, 1978.

There was concern about the project's future until experts identified a fresh tract of land to the north which compensated for the land cut off to the south by the river's change of course.

A different type of soil in the new tract has resulted in the project changing from a planned plantation cocoa and coconuts to the substitution of more valuable coffee in place of the coconuts.

The first 80 hectares of cocoa are planned for planting during the present year and the first 10 hectares of coffee during 1984. Both commodities should be fully planted two years later.

A factory to process the cocoa is to be built in two phases in 1983 and 1986, by which time the Ransiki project should be producing a good return on CDC's original investment given the continuing strong showing by the price of the commodity.

The value of the Ransiki project both to the Indonesian Government, which has designated Irian Jaya a resettlement area for Indonesians from Java, and to the local community can be judged from the fact that despite its large land area Irian Jaya has a small population and only 0.5 per cent of its land area is under cultivation. Agricultural exports total 2,000 tonnes a year, mainly nutmeg and copra.

"We like to go into new ground-breaking schemes but we have to have money-makers too," said Mr Christopher Stephenson, regional controller of CDC for Asia, whose base is in Singapore.

Just such a money-maker is the BAL Estate in Sabah which now has 1,900 hectares of cocoa, 5,100 hectares of oil palms and 3,000 hectares of rubber. With a work-force of 3,180 the estate comprises a community of 7,000 people, including dependants.

The 1979 pretax profit for the estate, at £5.6m was lower than the two previous years but

still about 10 per cent up on the previous five years. The estate is strong foreign-currency earners for Malaysia and now have Malaysian nationals in all but the most senior executive posts.

CDC has been involved with the estate since they were bought by Noroco Abaca Ltd in 1964. They were in Japanese hands before that.

"We sincerely hope that we are not going to be cut back because one objective is to do the maximum development we can with our resources. But, at the same time we are obliged to pay our way from year to year," Mr Stephenson said.

"We have to maintain our portfolio in real terms, so we need to make commitments of every year. A considerable amount comes from self-generated funds but the balance must come from government."

Mr Stephenson sees significant opportunities for expansion of business in agriculture with the possibility of assisting in a smallholders' scheme in the Philippines and the development of CDC management skills in a Sri Lankan sugar project.

With the World Bank, the CDC has been instrumental in the reseeded of rubber plantations in southern Thailand. It will soon be an opportunity to contribute to the second phase of that project as well as new projects in Indonesia and Malaysia as long as the funds are available.

Next: Swadland

Atom plant built by Chinese

From David Bonavia, Peking, Feb 10

China has disclosed that it has developed a high-flux atomic reactor for research purposes caused a stir in knowledgeable circles in Peking today, but it is seen as a logical step towards introducing nuclear power and conserving other energy resources.

The reactor is reported to have a thermal power of 125,000 kilowatts, not in itself capable of making a great contribution to the country's energy needs of some 60,000 megawatts.

The development of a domestically built reactor—which has taken more than 20 years of research and is mainly based on technology originally supplied to China by the Soviet Union in the 1950s—is a matter of prestige as much as a serious contribution to energy requirements.

Purposes for which the reactor can be used include testing of the effects of neutrons on materials and engineering projects, and production of radioactive isotopes.

The official news agency said that precautions had been taken to protect the operators, local inhabitants and the environment. The reactor is said to be located "in south-west China", and is probably close to the city of Chengdu, capital of Sichuan province.

China has launched a campaign to economize on the use of electricity produced from oil, coal and hydro-electric plants. Production of coal and oil is not being increased much over the next year or two to encourage economy measures.

Chairman Hua absent from Mitterrand talks

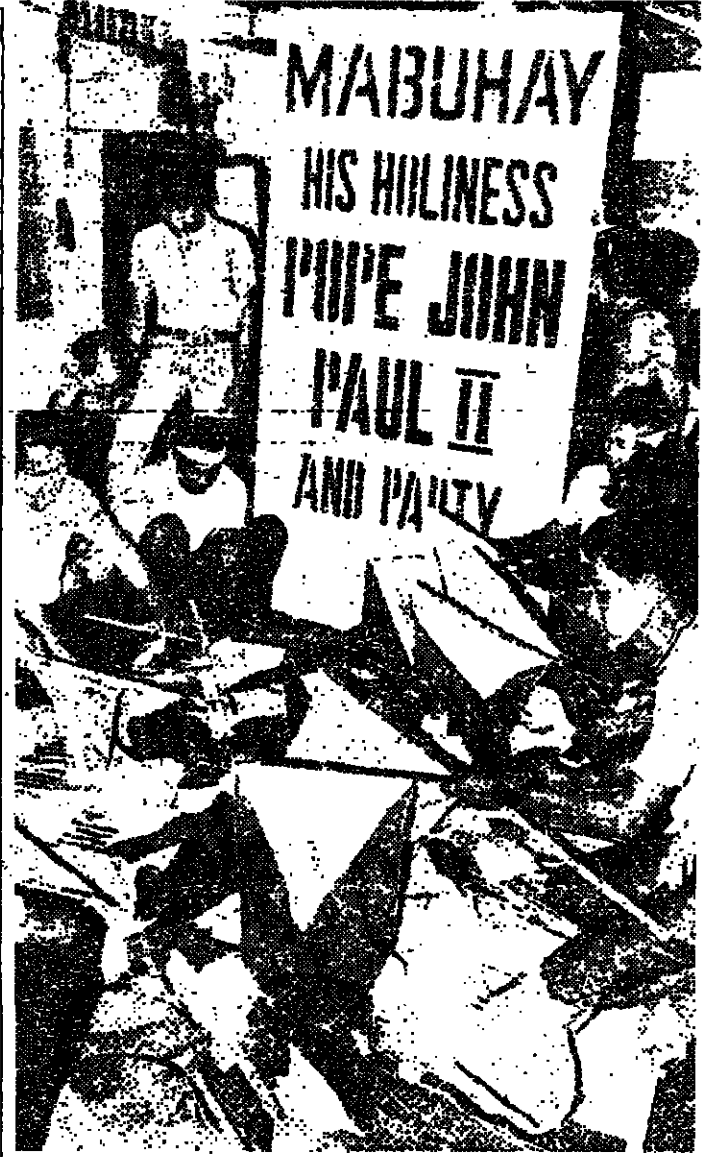
From Our Correspondent, Peking, Feb 10

M. François Mitterrand, the leader of the French Socialist Party, who is on a visit in Peking, is meeting several top Chinese leaders, but no engagement with the Chinese Premier, Mr Hu Yaobang, has been announced.

As M. Mitterrand is here at the invitation of the Chinese Communist Party rather than the Government, this is seen as further confirmation that Mr Hua will soon resign.

Mr Hua caused a stir on the eve of the Chinese New Year last week by appearing on television in an official capacity. This is now thought to have been no more than a face-saving measure pending the convening of a plenum of the Central Committee at which he is expected to step down.

Among the leaders receiving M. Mitterrand are Mr Hu Yaobang, the Secretary-General of the Chinese party, Mr Li Xianmin, a Vice-Chairman, Mr Deng Xiaoping, the senior Vice-Chairman, and Mr Fang Yi, a member of the Politburo. Last week M. Mitterrand told journalists that he and the Chinese leaders did not see entirely eye to eye on foreign policy. "I do not think that our foreign policy has to choose between China and Russia," he said.



Government workers in the Philippines sort out welcome flags for the Pope's visit

Britain's Commissioner in Canada to retire early

By David Spanier, Diplomatic Correspondent

Sir John Ford, British High Commissioner in Canada, whose recent comments on the Canadian constitution had attracted some controversy, is leaving his post. He will be succeeded by Lord Moran, the British Ambassador in Lisbon.

But the Foreign Office said yesterday that Sir John's departure—expected to be around May—had been planned for some months, and had no connection with his interventions on the constitutional issue. He will, in fact, be giving up his post about nine months before the normal retiring age of 60, but such a move was described as quite normal in the Diplomatic Service.

At the same time, though apparently by only a chance coincidence, the Canadian High Commissioner was in contact with British Government officials the day before the announcement of Sir John's departure, to review the handling of the constitutional question overall.

It can be assumed that the role of the British High Commissioner in Ottawa was discussed in this context, with some implied criticism of Sir John's record.

He is being replaced by Sir John's predecessor, Sir Peter Levesque of Quebec. Mr Peter Levesque of Alberta, Mr William Bennett of British Columbia, and Mr Angus Maclean of Prince Edward Island.

constitutional plan of Mr Pierre Trudeau, the Canadian Prime Minister, have pledged to "continue the struggle on all fronts". In the words of Mr Sterling Lyon, the Premier of Manitoba, (John Best writes from Ottawa).

At an all-day meeting in a Montreal hotel room on Monday, they agreed to intensify their efforts, both in Canada and Britain.

Afterwards they told reporters they plan to go as a delegation to London to carry on the struggle after the constitutional package has cleared Canada's Parliament and is sent to Westminster for approval.

Mr Brian Peckford, the Premier of Newfoundland, predicted that the delegation would leave for London about one week after the reform plan was referred to the British Parliament.

Eight of Canada's ten provinces opposed the plan, but yesterday's meeting involved the premiers of only the six which have launched court actions against it. In addition to Mr Peckford and Mr Lyon they are: Mr René Lévesque of Quebec, Mr Peter Lougheed of Alberta, Mr William Bennett of British Columbia, and Mr Angus Maclean of Prince Edward Island.

Leading article, page 15

Zimbabwe death toll rises

From Stephen Taylor, Salisbury, Feb 10

At least one person was killed in the second outbreak of factional violence in Zimbabwe national army barracks since the weekend. As clashes continued tonight there were indications that the toll would rise.

The clashes today flared at the Commemora Barracks between Que and Gwelo on the main Salisbury-Bulawayo road. Roadblocks sealed off the stretch of road between the two towns and strict security measures were being enforced, limiting the flow of information from the area.

The clashes involved soldiers supporting Mr Robert Mugabe, Prime Minister, and those following Mr Joshua Nkomo, his partner in the coalition Government. It is believed that elements of one group last night seized weapons from the barracks armoury and opened fire on their comrades.

Violence spread to the roads this morning when motorists travelling between Que and Gwelo came under fire and three people were wounded. Roadblocks were set up although army convoys were apparently taking essential traffic through the trouble spot.

Police stayed out of the area but an army group was deployed in an attempt to quell the violence. In an exchange of fire with their comrades, a number of soldiers were reported to have been killed.

Tonight the area was still cordoned off while the sound of gunfire continued. The incidents are likely to have been sparked by factional clashes over the weekend at the barracks at Ntshindzundu about 95 miles further along the road to Bulawayo in which one person was killed.

The seriousness of the situation was emphasized by the scheduling of an address by Mr Mugabe, who is also Minister of Defence, to the House of Assembly tomorrow.

Mr Emmerson Munangagwa, the minister of state with responsibility for security, was expected to have given a speech in Parliament tonight on the security situation but the questions were deferred pending Mr Mugabe's speech.

Many believed killed in Soviet air crash

Moscow, Feb 10—A Soviet Defence Ministry announcement today about the air crash on Saturday, in which Admiral Emil Spiridonov, the commander of the Soviet Pacific fleet was killed, suggested there was a heavy loss of life.

The brief announcement carried in the Defence Ministry newspaper Red Star said the victims were "admirals, officers, sailors and employees of the Pacific fleet". It extended sympathy to the relatives and friends of those killed during what appears to have been a military exercise.

Reuter.

Peking welcomes Sihanouk candidature in Kampuchea

From Our Own Correspondent, Singapore, Feb 10

China has welcomed Prince Norodom Sihanouk's agreement to lead a united Kampuchean resistance movement but made no mention of the conditions laid down by him.

The Prince announced his somewhat reluctant candidature for the leadership of the disparate groups in the resistance movement from his self-imposed exile in Pyongyang on Sunday.

A brief statement from the Foreign Ministry in Peking today, however, did not mention whether or not China was now willing to give full backing to such a unified resistance movement.

San Salvador university board are kidnapped

San Salvador, Feb 10—Armed men broke into a meeting and kidnapped the advisory board to the national university here today, a university communiqué said. Its roster and the general secretary and members of the university union were among those seized.

The number of people kidnapped by about 20 armed men with pistols and sub-machine guns was not known.

The university was closed last June by the Government on grounds that it was a centre for counter-revolutionary activity. It has remained closed and has been occupied by troops since.—AP.

Gunmen kill 18: At least 18 people were killed today when a bus was attacked by machine gunfire, mortars and grenades near the town of Suchitoto, north-west of here, police said.

The attacks on the bus, an electricity plant and other centres appeared to be the work of left-wing guerrillas trying to overthrow the ruling junta which is supported by the United States.—Reuter.

Photographer dies: A French photographer, Mr Olivier Reboul, who was shot and seriously wounded by sniper fire in El Salvador last night, died in Miami last night, hospital officials said.—AP.

Social Focus

Why so many families are facing the big switch off

A private member's Bill which has its first reading of a second reading on Friday would end gas and electricity boards' right to disconnect domestic consumers without a court order.

The bill, introduced by Mr John Cartwright (Labour MP for Greenwich, Woolwich, East) who is drawn fifteenth in the private members' ballots, stands little chance of reaching the statute book.

Yet it spotlights an issue which is causing increasing concern to consumer representatives, welfare agencies, and advice bureaux.

The number of disconnections is growing rapidly. For several years electricity disconnections have been almost stable at about 90,000 a year. In 1980 there were 122,000. The gas figures, though lagging behind, are now on a similar upward trend.

The gas and electricity boards' right to disconnect, which they share with other statutory undertakers such as the water authorities and the telephone service, is unlike any other system of debt collection. It deprives families of essential services without any recourse to law.

To evict a tenant for non-payment of rent, a landlord has to go to court. So must a hire-purchase company reclaiming goods, or anyone else seeking repayment of a debt from people who are unwilling or unable to pay. It is a criminal offence to harass a debtor or his family by threatening violence, publicity, or anything

likely to cause alarm, distress, or humiliation.

Yet gas and electricity boards can leave people without heat and light at officials' discretion.

Since 1976, a code of practice has offered some protection to "hardship" cases: those receiving supplementary benefit, unemployment benefit or family income supplement, those with young children, and old age pensioners. But slips occur.

Last month in Andover, Hampshire, men from Southern Gas cut the lock from a family's front door while the mother was taking her baby to the clinic cut off the gas, and left the door unsecured on the way out. The family had forgotten to pay a bill which arrived just before Christmas, and had received no reminder.

Last week officials of the London Electricity Board arrived to cut off the supply of a mother whose bills were already being paid by the Department of Health and Social Security. There had been "a communications gap".

In a suburb case the LEB threatened to cut off for a second time a family of seven, with the father receiving unemployment benefit and the mother chronically sick after they had made, and kept to, an agreement to pay £5 a week off their arrears.

The board thought they had been promised £10 a week though they now accept the family could never have afforded so much.

Dame Elizabeth Ackroyd, the most ex-

perienced of the chairmen of the electricity consultative councils representing consumers in the regions, supports the Cartwright Bill. "We believe that you should have an outside, judicial eye looking at the merits of the cases. People should have the chance of arguing about their fuel bills, which at present they are denied."

The use the boards make of their right to be judge and jury on disconnections varies. South-Western Electricity report every case to district sub-committees of consumer representatives before taking action. In the quarter to the end of September 1980 they cut off only 671 homes. The London Electricity Board in the same period made 10,764 disconnections. Families in London are now being disconnected at the rate of 150 a day. The LEB have been accused of frequent breaches of the code of practice.

Mr Cartwright says that even if his Bill fails it may at least hasten the industry's promised review of the code of practice, which has now been awaited more than two years. It may also call in question the marketing material which still accompanies every fuel bill; the ways in which arrears are allowed to mount; and the lack of advice that is available on energy conservation and the economic use of fuel.

Robin Young

Consumer Affairs Correspondent

Race relations: so difficult to provide justice for all

The Conservative Party is showing a sharp distaste for some recent findings in race relations cases. The most controversial was a recent industrial tribunal case in which British Leyland admitted indirect racial discrimination because it insisted that people applying for labouring jobs filled in application forms in English.

During questions to the Prime Minister, Mr John Stokes, Conservative MP for Halesowen and Stourbridge, said: "Is not this absurd? Can the fact that English is the language of England? Mrs Thatcher replied: 'I wholly agree with Mr Stokes'."

After a ruling by the High Court, the Commission for Racial Equality has now begun investigating the immigration service. The ruling brought strong reaction from Mr Harvey Proctor, Conservative MP for Basildon, who urged Mr Whitelaw to repeal the law which established the Commission.

The implications of cases like this are to be explained by the Commission in a new legal publication for the benefit of lawyers and others seeking to interpret the law. The Commission's findings are that the law is generally well understood and is being applied. Practices used for years may be discriminatory.

The point at issue in the British Leyland language case was that BL were allegedly testing abilities not required for a particular job, in this case labouring. The test affected racial groups disproportionately, solely because the qualification demanded was the ability to read and write English.

Mr Peter Sanders, director of the Equal Opportunities Division of the Commission, said that the ruling should not be taken to imply that the requirement to complete an application form was unlawful in all circumstances. It would be lawful for a job in which an ability to read and write English was needed. There might be many employers who inadvertently, perhaps, were breaking the law in the same way.

Mr Geoffrey Bindman, legal adviser to the Commission, added: "The legal position is that a test which adversely affects members of racial groups offends the Race Relations Act unless the employer can show that the test accurately reflects the needs of the job."

The Commission wants to interpret the results of cases and formal investigations in way that would be of use to those seeking redress and to firms or organizations anxious to know where they stand.

One ruling with wide implications was by the Court of Appeal on January 20 that services to the public provided by the Inland Revenue not only in the collecting of taxes, but in granting relief from taxes, making monetary repayments and giving advice on such matters were covered by the Race Relations Act.

Mr Prabhudas Seivani, of Leicester, was asked to bring to a tax office a full birth certificate, instead of a short one, to obtain relief in respect of his child. Lord Denning said the father was upset because he knew that he had been treated as an ordinary Englishman the short form of certificate would do. It was plainly a case of discrimination. The father had been treated less favourably than other fathers.

In a letter to the Race Relations Board in 1977, the chairman of the Inland Revenue had quoted a report by the Public Accounts Committee to Parliament in 1968. It "found that fraudulent claims to personal relief had been made upon an extensive scale by immigrants from the Indian sub-continent". Following that report, the Inland Revenue "were obliged to introduce more stringent checks upon claimants by immigrants. Those checks included the inspection of the full birth certificate which enables the child allowance entitlement of the claimant to be verified."

The Act has given far more muscle to tackle discrimination than was available previously. Some 45 formal investigations have now been started by the Commission and 10 of them have been completed.

In a formal investigation of the recruiting methods of a baker's and confectioner's, the Commission decided that recruitment by personal recommendation (by word of mouth) in two of its departments was discriminatory. The

Commission says it is convinced that recruitment by word of mouth is one of the most serious obstacles to equality of opportunity.

One of the objects of the CRE's new journal, which is expected to be published three times a year, will be to encourage the development of an effective civil rights movement capable of helping people fight their own cases of alleged discrimination.

At present, little such capability exists. Part of the reason may be that at least some organizations which feel alienated are more likely to seek redress of grievances through protest and politics than through the county court or industrial tribunals. And ordinary people may sometimes find the procedures intimidating.

It could be argued that the presence of statutory agencies like the old Race Relations Board and the present Commission for Racial Equality inhibit the growth of an effective civil rights movement by doing part of its job for it. One of its accusations hurled at the statutory agencies by militants was that they were brought into being as safety valves to reduce the force of the politics of black activists were preaching.

Whatever the reason, one of the objects of the Race Relations Act as originally conceived is not now being achieved. The idea before it was drafted was that the new Commission should be freed of individual cases so as to be able to concentrate on strategic formal investigations. But it has not worked out that way. Just a precious people on the Race Relations Board and Community Relations Commission far exceed fears that individuals at inhibited from taking cases to court or industrial tribunals seem to be confirmed by the figures.

The Commission's advice and help being sought instead. Out of about 4 successful cases over a two year period tribunals the Commission gave assistance in about 30; in most cases that involve representation.

Peter Evans

Home Affairs Correspondent

Laws too dangerous to toy with

Toys are never safe. The European toy manufacturers (ETM) themselves say so. It is, rather strangely, their very first objection to the European Commission's draft directive on toy safety. In fact, the directive looks likely to join the long list of good causes lost in the European log jam.

"Only toys that are safe should be placed on the market," that must come out, ETM argue, because "it is impossible to ensure absolute safety in this area."

Just how dangerous toys are, and how many accidents they cause, is difficult to assess. The European Commission relies mainly on a 1975 report by the Centre for European Co-operation and Development using American and British statistics for its claim that the need to protect children is amply demonstrated.

The British Toy and Hobby Manufacturers Association (BTHA) quotes British statistics (1978) as "casting serious doubt on the need for a comprehensive directive", and the American experience, according to them, "suggests strongly that toys are among the safest products on the market."

It happens that the United States and Britain are among the few countries to provide any statistics relating to toy safety. In both countries the evidence has prompted the introduction of stricter safety regulations, which have already improved matters. Other countries have widely different, and sometimes minimal regulations, and collect no statistics to show what injuries toys cause.

One proposal in the directive is that EEC member states should give the Commission figures relating to accidents involving toys. The British manufacturers plead that another EEC draft directive (also firmly stuck in the system) aims at the general collection of accident statistics, "fall to see the need for this article."

In Britain, the Home Accident Surveillance System figures for 1979 showed 530 accidents involving toys, compared with only 12 for fireworks, 14 for skateboards and 26 for guns. Analysis in 1978 suggested that in most cases it was not defects in the toys which were to blame, but there are still exceptions.

The Department of Trade is concerned about cheap, jack-in-the-boxes being sold by market traders. The braking mechanism inside is a simple rubber band. When it snaps the toy flies open violently, with ample force to put a child's eye out, so far the manufacturers have not been traced.

The Government has recently had to deal with cases involving dolls whose heads and limbs came off to expose sharp metal spikes; rear-gas capsules whose contents could blind a child in the eyes; and a baby's handbell which might have suffocated an infant who pulled it apart. The handbell in fact complied with the British Toys (Safety) Regulations 1974 (though not with the European Toy Safety Standard which has been adopted as a British Standard).

The European Commission's claim that it is impossible to define technical standards which will eliminate all possible risks from toys.

Toys have become big business. Well over 60,000 types are marketed. Only foods are available in greater diversity. The world's playthings are so various that they can present every imaginable hazard. Licking and chewing may poison. Detachable parts may be swallowed. Wooden or plastic toys may splinter. Sharp edges, curved points, sharp corners and sharp moving parts may trap fingers and toes too easily catch fire. At the extreme toys can be electrically dangerous, chemically corrosive, carcinogenic, polluted with health hazards, or even radioactive.

Manufacturers have been concerned about the barriers to trade caused by the differing safety rules different countries have chosen. Within the Community, Holland and France have widely different, and sometimes contradictory, rules. Italian toys are not acceptable in Germany.

Meanwhile, Community exports are blocked by ever more complex regulations applied in the United States and Japan, while manufacturers there flock exporting to Europe less difficult. More and more toys are also imported from new producers in the Far East.

The original call for the toy safety directive came from both toy manufacturers who have harmonization as essential to free trade in toys, and consumer groups interested in the safety of children.

Now the consumer groups are appalled that the manufacturers appear to have turned against them. The draft directive is taking a battering in the committees of the European Parliament, which at present seems disinclined to support the Commission's proposals.

The Commission proposed that consumer associations should be able to get the authorities to test toys they thought were dangerous. ETM say: "this would create an unfortunate precedent. Consumer associations cannot be assimilated with the organs of jurisdiction. Article 14 proposes that member states must 'en-

sure that appropriate effective, rapid and inexpensive means of redress shall be available" to anyone injured using a toy. ETM say: "We do not see the usefulness of this article."

The consumer groups are even more deeply hurt by the attitude of the British manufacturers, the BTHA. The BTHA starts from the uncompromising position "The directive has assumed a 'safe' problem which does not exist."

Like their German counterparts, BTHA want article 13, on false and misleading advertising of toys, "deleted". (The Commission has a separate draft on misleading advertising stuck elsewhere in its labyrinthine system.) The British Article 14, dealing with redress, should be struck out also as it anticipates a European directive on product liability (another draft trapped in the EEC's by of despair).

On these and other points, no doubt compromise should be possible, though haggling might take years. The fact of controversy still include such basic as the definition of toys, and how much abuse of toys by children manufacturers might be expected to foresee.

BTHA say they do still want a directive to free trade in toys, though they think it should only apply to toys so internationally, and should exclude most of the Commission's present proposal. They would rather have no directive at all than accept general safety requirements which are not backed by common technical standards.

Annex III of the draft lists the general safety requirements, such as the toys "may not constitute a dangerous flammable element in the child's environment" or "must not be explosive or contain electronic or parts likely to explode."

The Commission plead that if they try to set technical standards for every toy, they would, first, fail, and second, stultify all technical innovation. So the most state general requirements.

BTHA say the directive must set or disallow technical standards, or manufacturers will make the general safety requirements mean whatever they want them to, that the directive raises more barriers to the free movement of toys than it removes.

It is more aggravating and frustrating than anything a toy puzzle-maker could devise. What it proves, unfortunately, is that legislating to ensure European children's safety is anything but child's play.

R. V.

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SPORT

Football

Liverpool take a ride to Wembley on stout City shoulders

By Gerald Sinstadt

Liverpool 1 Manchester City 1

After a tie that was a distillation of everything that is best in British football, Liverpool have qualified for their second League cup final. Manchester City arrived at Anfield last night a goal down from the first leg. By half-time a goal from Dalglish had doubled Liverpool's advantage but early in the second half Liverpool were equalised to light the fuse for an explosion that reverberated to the last kick.

In years to come this game is likely to be ranked beside such glowing Anfield memories as the encounter a few years ago with St. Etienne. More was a marriage of skill and passion that drained the emotions. At the end, admiration for the winners was tempered by profound sympathy for the losers. A crowd of 46,711 saw two teams who would have graced Wembley in the final.

Liverpool had Dalglish, Thompson and McDermott back in the line. In the early exchanges Liverpool were predictably cautious passing back to Clements rather than take any risks in their own half. No surprise, then, that Liverpool's defence was more than capable of holding off the Manchester City attack. Liverpool's defence was more than capable of holding off the Manchester City attack.

In the last quarter hour Johnson, Dalglish and McDermott all scored. Liverpool's defence was more than capable of holding off the Manchester City attack. Liverpool's defence was more than capable of holding off the Manchester City attack.

Liverpool: P. Clemence, P. Neal, A. Hanson, K. Dalglish, S. Lee, D. Thompson, J. Johnson, J. Gorman, R. N. Red, P. Power, T. Booth, D. Bennett, K. Reeves.

Referee: C. B. White (Harrow).

Substitute: J. Taylor (Walsley).

Goalkeepers: J. Taylor (Walsley).

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Keeping it close to their chests: Sealey hugs the ball while Stewart kisses the earth.

Neighbour brings the house down

By Norman Fox

Football Correspondent

West Ham 2 Coventry 0

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Ham, had a shot cleared off the line before Coventry missed their first convincing attack. There was no respite as Pike's 20-yard blast was deflected into the goal by Sealey and Brookling saw the ball sheared off his foot by Roberts just as the goal came into his view.

Coventry's replies were rare, but not for the want of trying. Bodak again proved a dangerous winger often keeping Devonshire and Hately in the second half of the game. Coventry spent most of the time trying to intercept West Ham's ingenious attacks involving some of the most creative players in the league. Coventry's defence was more than capable of holding off the Manchester City attack.

None of the fervour of the first meeting evaporated. If Coventry had intended to increase their lead, they were under pressure from the beginning and although extra time took the game into extra time their aggregate defeat by 4-3 was a just outcome, even if they contributed magnificently to the occasion.

Coventry's defence was more than capable of holding off the Manchester City attack. Coventry's defence was more than capable of holding off the Manchester City attack. Coventry's defence was more than capable of holding off the Manchester City attack.

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Cricket

Trinidad get their heads down in the island's Port of Rain

From John Woodcock

Cricket Correspondent

Port of Spain, Feb 10

There was nothing in England's

cricket here today, in the drawn

match with Trinidad, to suggest

that they will be able to bowl

West Indies on twice in the first

Test match which starts on the

same ground on Friday. When the

match ended Trinidad were 392

for eight in reply to England's

first innings total of 355.

Each Trinidad batsman had

been out by a slow, hard

ball, with the two faster bowlers,

Boham and Dille, looking less

like it than they did yesterday,

and the three spinners taking only

three wickets in their 78 overs.

There will be other pressures at

work in the Test match, some of

which will help the bowlers. Eng-

land today found like a side in

need of a challenge. It is good

that the Tests are about to begin.

Again rain delayed the start,

this time for half an hour after

breakfast showers. With the match

so far behind the clock, Trinidad

set simply to prevent England

from winning, which was under-

standable enough. Having started

at 144 for two in their first in-

nings, they were 202 for four at

lunch, Gooch, with his third ball,

and Miller having taken a wicket

each, the Trinidad batsmen were

in a better position than they

were at the start of the first in-

nings.

Gooch's ability to swing the ball

makes him, to my mind, an under-

used bowler. The atmosphere

here, and the hills which fill the

northern landscape, are conducive

to a feeling of being in a better

position than they were at the

start of the first innings. Eng-

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pitch, and, with a slightly faster ball, had him stumped. Cuffy lived up to his name, going straight into the attack against Miller and hitting him in two overs for three fours and a six.

The struggle which England were having to take wickets did not augur well for the Test match. Where on Sunday and Monday Trinidad's spinners had turned the ball appreciably, Eng-

land's finger spinners found it much harder to do so, and the pitch was slower than ever. With the new ball, taken immediately after lunch, they had a leg before with one that kept low, whereupon Cuffy and Murray added 51 in 40 minutes. It is being said here that Murray's absence from the Test side will be reflected in the Test attendance. They are more parochial in Trinidad even than in Sydney and Sheffield.

The corresponding match to this, seven years ago, Murray scored one of his ten first-class hundreds. Now 37, he played no more than a cameo part as a batsman. I would have thought, than his namesake who has succeeded him in the West Indian side. Murray's Test side will be a solid hit of the ball. At a run a minute they added 122 for the seventh wicket and, in Trinidad, they were 202 for four at lunch. Gooch, with his third ball, and Miller having taken a wicket each, the Trinidad batsmen were in a better position than they were at the start of the first innings.

Among the Test captains already in the island, or due to arrive, are two from England, Peter May, Colin Cowdrey, and one from Pakistan, Imtiaz Ahmed, who is to act as the official "observer" in Friday's Test match. Pakistan recently the four Test matches between Pakistan and West Indies attracted four different such watchers from the

skies—Rohan Kanhai, the former West Indian Test player, and three from England

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KEEPING FAITH WITH GDANSK

Mr. Kania is reported to be urging the Polish Government to be tougher with the independent union movement. There is talk of a change in the Polish Government's attitude towards the independent union movement. But what is the Polish Government's attitude towards the independent union movement? It is a "tougher" or a "softer" policy towards the independent union movement which still exists in it but a more consistent idea of what it is trying to achieve. It has stumbled through the past few months taking public positions which it has then had to abandon under pressure. With consequent damage to its authority. First it opposed the formation of independent unions. Then it agreed, but it hiccupped over the conditions of registration. Then it opposed an independent union of farmers. Now it has agreed to something roughly equivalent under a different name. And so on.

Obviously a regime claiming mandate from both history and working classes was bound to challenge to its authority. It could not admit the claims of new unions without putting in question its own legitimacy. It was not only at the time but the way down its structure, that even when clear decisions are reached by the leadership they were frequently sabotaged at lower levels. These divisions have been the main cause of its troubles.

Behind them, however, lie not just rational differences over policy but the fundamental difficulty which a system of this sort has in reforming itself and adapting to the needs of its own people. The whole

perilous dispute over the five-day week could probably have been avoided if the regime had consulted in good faith with Solidarity instead of presenting it with a decision which looked like an attempt to retreat from the Gdansk agreement of last August. Solidarity felt challenged and reacted accordingly. Its main concern was not the five-day week but recognition by the Government of its right to be consulted.

On the Government side the habit of centralized command has been hard to let go. It will have to die because the Polish regime can no longer retain its authority by force, only by negotiation. Mr. Kania appears to see this. Some of his colleagues do not. Mr. Kania's position may now be strengthened by the appointment of Mr. Jaruzelski, the Defence Minister, as Prime Minister. This is the first time a soldier has held this job, and the appointment could have a steadying influence. In the first place Mr. Jaruzelski is regarded in Poland as a moderate who has strongly opposed the use of force against strikers. This credit will strengthen his authority. At the same time, even though he is probably regarded by the Russians as a shade too much of a Polish patriot, he must have close contact with their own military men.

This is important because the Soviet Union's interest in Poland is probably more military than ideological. It will tolerate heresies to a certain point but it will not tolerate a situation in which it could no longer regard Polish territory as a militarily secure sector of the Warsaw

Pact. With a soldier as Prime Minister it may find discussions on this point easier, in spite of Mr. Kania's ambiguous remarks about defending Polish independence. Soldiers in Moscow have a growing influence on policy, and possibly a decisive say in whether to intervene in Poland. They are likely to treat a Polish soldier with more respect than they would a politician.

Nevertheless, time is clearly getting short. The country cannot go on improvising much longer. The economy is sinking from bad to worse. The new unionists, including now farmers and students, are still jostling to find their place in the system, uncertain of the limits of their own objectives and of the good faith of the government. The Gdansk agreement is still only partly implemented. On the other hand, some progress is being made. The regime has produced the outline of a plan for economic reforms involving, it says, the restructuring of economic management, with more powers over broad strategy for the central planning bodies at the same time as more autonomy and democracy at enterprise level. The Hungarian model seems to have been influential since the main aim appears to be to make enterprises work for profit rather than to fulfill a central plan. There are also promises of a new deal for private farmers, including a sharp rise in agricultural investment. Censorship is under active discussion, and in other respects, too, there is halting progress towards implementing the Gdansk agreement. This progress will have to be maintained if the Polish revolution is to be contained and consolidated.

MR SADAT AT LUXEMBOURG

While the Middle East waits to see what the policies of the Reagan Administration will be, President Sadat has been giving his views to the European Parliament in Luxembourg. In his speech yesterday he was careful not to disparage the Camp David process set in motion by President Carter, and the autonomy talks between Egypt and Israel. But he had remarkably warm words for the European initiative launched in Venice last June. He described last December's summit meeting, when decisions were taken on the next stage, as "a decisive factor that should have constructive impact on the peace process in the near future". The participants, he said, "had correctly identified a complex problem and adopted clear solutions".

Mr. Sadat is well aware that it is the Americans, not the Europeans, who are the decisive factor in the Middle East. But he also aware that the Camp David process, in which he has vested so much of his own prestige, at the cost of his relations with the rest of the Arab world, has made little progress lately; and he is bound to be apprehensive about what will emerge from the review now under way in Washington. He is particularly concerned about the "Jordanian option", by which Jordan would be brought into the

talks between Egypt and Israel. So he appears to have accepted the European view, put to him by Lord Carrington in Cairo last month, that the EEC's initiative is not intended to undermine the Camp David process, and can be seen as building on it.

So far, the European initiative has not amounted to much in practical terms. There was a series of visits to Middle East capitals last year by Mr. Gaston Thorn, then Foreign Minister of Luxembourg and President of the EEC Council of Ministers; it is to be followed by similar visits, starting later this month, by Mr. Christopher Van de Klauw, the Dutch Foreign Minister. Only after all these consultations have been completed will the Ten decide on any specific action they might take. But in their Venice statement the Europeans set out certain principles—such as the need to recognize the legitimate rights of the Palestinian people, the right of the Palestinian people to self-determination, and the need to associate the Palestine Liberation Organization with peace negotiations—and the intention is to use these as a basis for working out a comprehensive settlement. Hence the hostility with which they were received in Israel and the United States, and the suspicions of the Egyptians, who were afraid that they would undermine the achievements made so far.

FIRST CASUALTY OF THE PATRIATION CRISIS

The Foreign Office announces that Sir John Ford, the United Kingdom High Commissioner to Canada, is to retire in the early summer nine months before he will have reached the age. It is so at the very moment when Sir John's performance of a function has become a matter of sharp controversy in Canada, and it invites us to believe that the two are unconnected.

The High Commissioner has been accused of interfering in internal political affairs of Canada because he has been complaining to Canadian MPs about the opportunity offered by the proposal for patriation and amendment of the Canadian constitution which Ottawa intends to forward to London are likely to meet resistance in the Westminster Parliament, and why. It looks from this distance as if in doing that Sir John Ford has simply been doing his duty. But Canadian political nerves are exposed just now by an approaching constitutional crisis, and it has to be presumed that an announcement of the High Commissioner's withdrawal and the application of a little

required to act automatically or whether it has an independent duty to discharge as trustee in some sense of Canada's federal constitution. The federal government says the first, most of the provinces the second.

After examining the precedents the Foreign Affairs Committee recently came to the trusteeship conclusion. Its central finding was that

Where a requested amendment of patriation would directly affect the federal structure of Canada, and the opposition of Provincial governments and legislatures is officially represented to the United Kingdom Government or Parliament, the United Kingdom Government is bound to exercise its best judgment in deciding whether the request... conveys the clearly expressed wishes of Canada as a federally structured whole.

It is not called upon to examine the merits of any proposals, only the degree of federal consent to them.

This is furiously contested by Mr. Trudeau's government. Its view was forcefully repeated by the Foreign Minister, Mr. Mark MacGuigan, at the weekend.

... constitutional precedents require the British Parliament to give effect to any request coming from the Canadian Parliament... there is no constitutional convention requiring prior consultation or consent... Some may say the legal ability to pass or defeat a Canadian proposal. This may be true in the narrow, legal sense. But the Canadian Government—and, as I say, the British Govern-

ment—insists that this narrow, legal right is an anachronism, which can only properly be used by passing "on the nod" any request from the Canadian Parliament.

Mr. Trudeau is causing the British Government anxious embarrassment by his insistence on presenting proposals that are so widely opposed in Canada and may come unstuck at Westminster. The British Parliament (and we may be sure that the House of Lords will be as active in the matter as the Commons is becoming) causes Mr. Trudeau's reluctance to be treated as a reluctant stamp. It would be tragic if this intensifying disagreement were to bring about a rupture in the normally cordial dealings between the two closely related nations and partners in the Commonwealth.

The best route back to level ground is via the discussions in which the Canadian provincial premiers are now engaged. It is to see if they can agree between themselves and with the federal government on an amending formula for the constitution. If Mr. Trudeau would then confine his proposal to patriation plus an agreed amending formula Parliament here would certainly give him the nod he expects of it. The question of federal balance raised by his proposed Bill of Rights would then fall to be settled later where it belongs, not at Westminster, but within Canada's own institutions.

Indian antiquities

From Mr. M. Ahmed
Perhaps you will extend to me the hospitality of your columns in finding my voice to those of Mr. D. Mrs. Cyril (January 29) in ing to the attention of the many friends of India in this country the sad plight of India's ancient monuments and antiquities. I have just come back from a tour of some of India's historic sites and, too, have been shocked at the all too obvious signs of neglect and decay affecting most of these, including such seminal

architectural gems as the tombs of Humayun and Akbar. The more popular tourist attractions including the Taj and the temples of Khajuraho are well looked after but the countless millions of armaments. A small fraction of that expenditure would ensure the preservation of the bulk of India's glorious heritage of ancient monuments. For example, the Taj Mahal, the most famous of all, is not beyond the means of India to restore to its past splendour the vandalized inlay work of

the magnificent Diwan-i-Khas ("If there be paradise on earth, it is here").

I realize that India has many other priorities, but I am sure the authorities there must feel that the preservation of so rich a heritage should also have high priority. Of all poverty, the poverty of spirit is the most pernicious. Yours faithfully, M. AHMED, Thorne Lodge, 115 Thorne Road, South Yorkshire, January 30.

Questions after Harman case

From Dr. J. E. Thomas
Sir, In his judgment on the Harman case, Lord Denning reported (February 7) as saying of the Home Office documents which were at the centre of the case, that "it was in the public interest that they should be kept confidential". He went on to deplore the "wholly unjustified attack" on ministers and civil servants "who were only doing their very best to deal with a wicked criminal".

I was a witness in the Williams case which led to the action against Miss Harman, and I am baffled at almost every conclusion drawn by the judiciary throughout. The way in which a punishment routine was devised for Williams ought to be a matter of urgent public concern, and it is absurd therefore to say that the documented procedures were of no public interest. The regime which was established would, indeed, still be in operation had it not been for the concern felt by many sections of the community.

The Home Office, however, says that Lord Denning said, because it was "found not to have been a success". But the most depressing aspect of all of this litigation is that the judges, notably Lord Denning, fail to understand that the original plaintiff may have been "a wicked criminal" at one time, but he was, for the time under discussion, a prisoner committed to the charge of the Home Secretary; that he was entitled not to be harmed; that he was defenceless; that measures of dubious legal authority were used against him; and that that should not happen in this country. Yours faithfully, J. E. THOMAS, University of Nottingham (Department of Adult Education), 1422 Shakespeare Street, Nottingham, February 9.

Battle for the countryside

From Mr. Ian Prest
Sir, In your leader on "The Disappearing Landscape" (February 2) you say that Sites of Special Scientific Interest cover one fifth of our land area. If this were so, one could well understand the worry expressed by the CLA in a letter published on the 1st day, that some of the amendments tabled to the Wildlife and Countryside Bill would "impose extensive and unacceptable restrictions on agriculture".

In fact, they cover one twentieth of the land surface and nearly half of the area is in agricultural use. In other words, the Bill would affect agriculture or forestry. This leaves some 2,000 sites, covering about 3 per cent of Great Britain. Agriculture or forestry destroy or seriously damage over a 700 of them every year.

The statutory description of these sites underlines their importance to research. They are also of great natural beauty and truly a part of our national heritage, reflecting the interaction of man and environment over, often, thousands of years.

The Wildlife and Countryside Bill provides Parliament with an opportunity to take effective action to protect them in ways which would not be financially disadvantageous to the farmers and other landowners. Potential loss of agricultural production on these sites cannot be regarded as significant. Yours faithfully, IAN PREST, Director, The Royal Society for the Protection of Birds, Sandy, Bedfordshire, February 4.

SOE in the Balkans

From Lieutenant-Colonel Philip Worrall
Sir, Surely an official history of SOE (Special Operations Executive) in the Balkans would uncover much of interest which for one reason or another has remained hidden. Those who have been privately told these things seem to rely extensively upon their fellow authors, which often means the same old stories do the rounds. But I have never been questioned about what, as a young member of SOE, I was doing in the Pindus from September, 1943, until December, 1944.

Parachuted in as a sabotage officer the day after the Italian armistice, I found myself assigned to Colonel Woodhouse as liaison to an Italian force of 7,000 who overnight had eluded the Germans, changed sides, and marched up into the mountains, claiming—and getting—collaborationist status. "They're all yours, Philip," there's no one else.

Very soon I became their only champion after the Greeks had dispersed them, disarmed them, and robbed them of their weapons. They were chased by the Germans and imprisoned by ELAS. The hard winter of 1943-44 reduced them to a starving, frostbitten rabble of which nearly 1,000 did not survive.

Fifteen months later—and having personally spent 32,000 sovereigns on food, which he had to buy and transport from under the very noses of the Germans—the remainder and I left Volos in troopships only hours before the ELAS ultimatum to the British there expired.

In addition SOE took over responsibility for a variety of characters, including short-drawn United States pilots, two groups of Russians and many others who did not belong to anyone else. I am, Sir, yours faithfully, PHILIP WORRALL, Bassetbury Mill, High Wycombe, Buckinghamshire, February 5.

The cost of dying

From Mrs H. C. Hudson
Sir, Is Mr. Ambrose Applebe (letter, February 5) not aware that a body will be used to medical research will often be refused, in order to save transport expenses, unless death occurs almost on the doorstep of a teaching hospital? Yours faithfully, HELEN HULTON, 70 Gloucester Crescent, NW1.

Effects of EEC fisheries policy

From Mr. M. D. E. Foster
Sir, I see that the fishermen are taking industrial action because of their concern over cheap fish imports.

What is of equal concern, it seems to me, is whether these cheap imports are going to. They are certainly not finding their way to my local fish shop. Yours faithfully, M. D. E. FOSTER, White Lodge, St Edmund's Lane, Bures, Suffolk, February 5.

From Sir Ronald Bell, QC, MP for Beaconsfield (Conservative)

Sir, The heading of your leading article today (February 9), "Beaconsfield", raised hopes of a bad bargain, what came under it. Your analysis of the fisheries situation was accurate and apt. Our troubles do indeed spring from that bad bargain made by Mr. Heath's government, with the connivance and encouragement of those Liberals and Labour "social democrats" who propose now to combine for our general salvation.

You did not mention the ministerial assurances given in 1972 and 1973 about the post-transition future, the occasional totally misleading implication of some vague (and, of course, entirely inapplicable) British veto, nor the continual assertions that such matters were best solved from inside as a member. Your leading article shows clearly that this particular problem at least would be easily and advantageously solved from outside as a non-member, and is from inside virtually insoluble.

But the meaning of your opening

statement that the British fishing industry is paying heavily for "the larger benefits attributable to the membership" is hard to unravel. The larger benefits cannot be the food, nor the trade balance, nor the system of agricultural support, nor the reversal in proportion of total trade since 1972 between favourable Commonwealth and unfavourable continental trade, nor any extra control over our own affairs, nor the clogging of our foreign policy. So what is meant? Is it better travel opportunities for elected representatives?

I am, Sir, your obedient servant, RONALD M. BELL, House of Commons, February 9.

From the Reverend J. Hamilton

Sir, As our fishing industry declares itself threatened by foreign competition and dumping, in which the Dutch in particular have been accused of coming across as a "concluding paragraph" for the chapter "Herring Fishery" written by James Logan for McLean's *Highlanders at Home*, first published in 1848:

"It is matter of just complaint that the Dutch should be allowed to fish so near the coasts, and to drive a lucrative trade on our very shores: it indicates a laxity in the enforcement of the international laws, which regulate the mutual rights of different countries."

It would seem that the satisfaction of this matter is by now long overdue. Yours faithfully, J. HAMILTON, St Andrew's Manse, Bolton, West Luthian, February 5.

it to be a bank clerk, a postman, a bus driver and a TV news reader not going on to better things. The real issue (as I see it) is the epidemic demise of manufacturing for which government is demonstrably unprepared. Scapegoating civil servants will save not one job at Dunlops or Vauxhall.

However, I can only speak of the reaction of 70,000 inland Revenue staff whose views I shall know (and confidently) by next Wednesday evening. We are asking our members to advise us at 40 nationwide meetings: 50,000 are likely to turn out and vote. Democracy is likely to say, I think, that 6 per cent for this (even as a discriminatory income policy for civil servants) is one thing. But a void as a policy for public sector pay in 1982, 1983 and 1984 is another.

Yours faithfully, TONY CHRISTOPHER, General Secretary, Inland Revenue Staff Federation, 7 St George's Square, SW1, February 4.

From Mr. J. B. Sloan
Sir, If a Civil Service union prevents the collection of government revenue, would it not be fair to offer, as far as possible, the loss of revenue by postponing payment of salaries of members of the union until the last revenue is collected? Yours, etc., J. B. SLOAN, Wyntford, Little Gaddesden, Hertfordshire, February 6.

Canada's constitution

From Mr. L. H. Leigh
Sir, I write as a Canadian to express disquiet over the turn which the patriation controversy is taking. In particular, it seems to me that the Government of Canada is exacerbating the controversy for reasons which are obviously political.

The charge of colonialism levelled against the United Kingdom Government is an absurdity. There has, so far as I know, been no movement by responsible United Kingdom ministers that they will refuse to introduce Canadian proposals for legislation into Parliament. By the same token the United Kingdom Government would be failing in its duties of friendship if it did not point out to Canadian ministers that there is a substantial Trudeau's measures on the part of British Members of Parliament. The Government may introduce legislation but it cannot give absolute guarantees that Members of Parliament will not seek to wreck it, nor, surely, can it be expected to sacrifice its legislative programme for the sake of such a measure.

The report of the Foreign and Commonwealth Affairs Committee gives advice to the House which it may or may not take. It is certainly a document around which opposition may gather. The Government could hardly preclude the Committee from considering a matter within its terms of reference. The Committee itself recognized the undesirability of engaging in consideration of matters of Canadian democracy; it came to its conclusions on an examination of the precedents and that examination was

carried out in a spirit of exemplary fairness. Whether it reached the right conclusions is no doubt disputable. Its report does not, however, constitute an interference in Canadian affairs by the Government of the United Kingdom.

But, Sir, there is surely a rich vein of hypocrisy available for mining in all of this. The Government of Canada proposes to introduce in Britain a wide ranging measure, much of which would never be passed domestically in Canada. It has been an open and notorious fact since 1931 that the rights and obligations of the United Kingdom Government and Parliament in respect of amendment are unclear. It can hardly be supposed that the provinces would not seek to challenge Canadian Government proposals in any forum open to them. This was clearly foreseeable. Equally the independent status of Members of Parliament and of the House itself must have been appreciated in Ottawa.

Furthermore, if a crisis of this magnitude was foreseeable the Government of Canada ought surely to have considered whether it was proper to maximize Britain's difficulties by introducing a measure of so extensive a nature. Britain has been placed in an impossible position. It is the duty of the Government of Canada to conduct its affairs with restraint and not, surely, to make Her Majesty's Government the unhappy victim of a series of political manoeuvres which pass the ordinary bounds of cynicism. Yours faithfully, L. H. LEIGH, London School of Economics and Political Science, Houghton Street, WC2.

Arts Council cuts

From Mr. Derek Parker
Sir, Why am I invited to subscribe to a fund to rescue *The London Magazine* when the Arts Council literature panel, which I support through taxation, actually underspent its budget last year? If the Arts Council does not exist, among other reasons, in keeping one of the best English literary magazines alive, then why does it exist? Yours faithfully, DEREK PARKER, 37 Camden Hill Towers, W11, February 6.

From Miss Pearl Binder

Sir, One of the greatest joys of my life (and of hundreds and thousands of others) has been attending the Open Air Theatre in Regent's Park—first as a young

woman, then with my children, and now with my grandchildren.

It is a richly unique experience to see and hear our classics staged with such style and understanding in such a sylvan setting, in the appreciative company of young and old from all over the world, not the well-heeled audiences of Covent Garden and Glyndebourne, but ordinary people of modest means. Now I learn with dismay that the Arts Council, in a naïf-like passion of short-sighted folly, has decided to wreck this world-famous theatre to save a miserable £25,000 annual grant. This won't help the Chancellor of the Exchequer to lift us out of the Depression, exactly the contrary. It will greatly add to our depression. The Arts Council must be made to think again. Yours etc., PEARL BINDER, 5 Gray's Inn Square, WC1, February 9.

Mr Paisley's role in Ireland

From Mr. R. N. Lins
Sir, May I, as a loyal Englishman, say to Mr. Ian Paisley that the surest way to make those living on the mainland want to cast their drift is for him to continue to intrude upon their noisy, fanatical, seemingly hate-ridden bellowing towards the majority of his fellow Irishmen. Yours truly, NICHOLAS LINES, 21a Chenies Avenue, Amersham, Buckinghamshire.

Putting in a good word

From Mr. D. W. Mitchell
Sir, Some time ago you published a letter from an old man presenting a small bouquet—instead of the more customary brickbat—to the National Health Service recounting the excellent treatment he received from the staff of a London hospital.

The same old man has just spent a spell in another NHS hospital, in Hertfordshire this time, when he again has nothing but praise for the sympathetic manner in which he was received and cared for. The staff not only performed their set nursing duties with careful consideration but did little errands for a not very mobile patient with great willingness—"with a glee" would not be putting it too high.

Yet again, but in another field of the public service, on a cold day our bus driver went out and refused to be relied on. A telephone message to the Eastern Gas Board received courtesy, brisk not-taking and a promise of "immediate" attention. Within half an hour, while we were still wondering how soon was "immediate" a technician arrived, fitted a replacement for a defective part and in minutes had the boiler roaring away; and it has behaved perfectly ever since.

Trivial incidents, one may think; but not to the recipient. And what a comfort to all of us, especially the aged and infirm, that sometimes supposedly "faceless" public giants can bring into play spectacles which act quickly and sympathetically to a call for help. Yours faithfully, D. W. MITCHELL, 8 Ebury Road, Northwood, Middlesex, February 6.

Briton's death in Cuba

From Mr. D. B. Hadley
Sir, The suicide in a Cuban prison of the Englishman, Mr. Terry Child, which you report in today's *Times* (February 3), is the most awful tragedy and one which reflects very badly on our nation in Havana.

Mr. Child's plight was first reported some months ago on the "Today" programme. My wife and I were so moved by the desperate situation of this man who was left behind in prison in a state of considerable despair when the other prisoners, all Americans, were released, and one of whom testified to the inadequate help which Mr. Child was even then getting from our embassy, that we wrote to the presenters of the "Today" programme asking them to do all they could to induce the Foreign Office to take the appropriate measures to secure Mr. Child's release. As far as we know nothing was done.

The public is entitled to an explanation from the Foreign Office as to what measures, if any, it took to help Mr. Child, not least of all because he was a tourist who visited Cuba from the country where he lives. As far as we know nothing was done. The public is entitled to an explanation from the Foreign Office as to what measures, if any, it took to help Mr. Child, not least of all because he was a tourist who visited Cuba from the country where he lives. As far as we know nothing was done. D. BERNARD HADLEY, White Hill House, Upham, Hampshire.

Water in the Third World

From the Chairman of the National Federation of Women's Institutes
Sir, I read with interest Mrs. Barbara Bradby's letter (February 3) in which she mentioned the crucial part played by women in the production and processing of food in the Third World.

Women also have a fundamental role to play in the collecting and carrying of water—some spending as long as four hours a day on the household chore. Contaminated supplies cause sickness and loss of productivity which acts as a drain on family life affecting as many as three out of five people in rural areas.

In 1980 the NWFI submitted a resolution to the triennial conference of the Associated Country Women of the World supporting the United Nations Decade for Women. We are fortunate to have safe tap water in most homes in this country, and should, as members of the public, give wholehearted support to the United Nations campaign. Yours sincerely, PATRICIA BATTY SHAW, Chairman, National Federation of Women's Institutes, 39 Eccleston Street, Victoria, SW1, February 4.

Was that a record?

From Mr. Oliver Weaver
Sir, Subsection (1) of section 53 of the new Companies Bill provides: "The registrar of companies may destroy any document or other material which he has kept for over 10 years."

Subsection (2) provides: "The registrar shall retain a copy of any document or other material destroyed in pursuance of subsection (1)." Section 22(3) contains a further essential addition to statute law where it states that: "and 'and' & 'shall' be taken as the same." Yours faithfully, OLIVER WEAVER, 24 Old Buildings, Lincoln's Inn, WC2.

THE SCOTCH OF A LIFETIME
The Buchanan Blend

Stock markets

FT Ind 483.5 up 4.6
FT Gilt 69.06 down 0.11

Sterling

\$2.3370 down 35 points
Index 101.2 up 0.1

Dollar

Doll 99.4 up 0.3
DM 2.1307 up 135 pts

Gold

\$514.50 down \$2

Money

3-mth sterling 13 1/2-13 3/4
3-mth Euro \$ 17 1/2-16 1/2
6-mth Euro \$ 17 1/2-16 1/2

More jobs lost in North West

Manufacturing industry in the north west of England received a further employment blow yesterday when the American-owned Ingersoll Rand company said it would close its plant at Trafford Park, Manchester, in July with the loss of 450 jobs. The plant makes air compressors and associated equipment.

The company, which said it hoped to find alternative jobs for about 100 of the workers at other group factories at Wythenshawe, Manchester and at Hindley Green, Wigan, blamed the closure on a drop in demand for products, the strength of sterling and a general increase in production costs.

The Trafford Park factory stands on a road that forms a boundary line of one of the Government's new enterprise zones, but it is on the wrong side of the line and would, therefore, not qualify for any of the rate exemptions and other benefits that will apply within the zone.

Accountants criticize aid debts plan

Accountants are criticizing the Bank of England's proposal to include banks' general provisions against bad debts as a reserve for the purposes of securing capital adequacy.

The Consultative Committee of Accountancy Bodies has written to the Bank saying that its proposal is contrary to the Companies Act 1948 and in conflict with best accounting practice.

Iceland to devalue

The Central Bank of Iceland has decided to devalue the Icelandic krona by 3.65 per cent. The new rate of exchange will be announced later today. The devaluation is not yet official, but Mr Thomas Arnarson, commerce minister, said in a radio interview that the reason for the move was the recent rise of the dollar.

Ecuador loan

Ecuador has asked Chase Manhattan Bank to arrange a loan of \$160m. Chase is understood to have won the mandate in competition with Bank of America, Manufacturers Hanover Trust, Bank of Tokyo, Citibank and J. P. Morgan.

Whisky compensation

Whisky distillers could get nearly £90m compensation within the next 12 months—subject to budget allocations—through payments from the European Community for differential pricing on malted barley between EEC and world prices.

Car imports monitor

Japanese vehicle manufacturers are to provide the Society of Motor Manufacturers and Traders with monthly details of cars they have shipped to Britain in a move to help reduce trade frictions.

\$3m for Air France

France is to guarantee \$3m (£2.2m) of loans being arranged by the state-run Air France with the United States Export-Import Bank.

Wall Street higher

The Dow Jones industrial average closed at 948.63, up 1.45 on Wall Street yesterday. The \$-SDR exchange rate was 1.2834 while the £-SDR was 0.52923.

PRICE CHANGES

Rises

ANZ Corp	9p to 22sp
Broken Hill	25p to 71sp
Coca-Cola	10p to 45sp
Nat Wmister	10p to 37sp
Peko Walsend	15p to 130p

Falls

As Fisheries	6p to 54p
Lampo	10p to 65p
Lyonsburg	10p to 142p
Man Ship Canal	43p to 57p
Wm Ship Canal	15p to 173p

THE POUND

	Bank	Bank
	buys	sells
Australia \$	2.07	1.99
Austria Sch	35.35	34.75
Belgium Fr	83.50	79.50
Canada \$	2.85	2.75
Denmark Kr	16.35	15.45
Finland Mk	9.88	9.38
France FF	11.88	11.38
Germany DM	5.19	4.95
Greece Dr	119.00	113.00
Hong Kong \$	12.70	12.30
Ireland P	1.39	1.33
Italy Lit	2495.00	2385.00

Increase in spending over 10 months outstrips forecast for full year

By John Whitmore
Financial Correspondent

The Government produced a mixed bag of financial indicators yesterday. Monetary growth in the January banking month was contained to an estimated 0.75 per cent, but central government expenditure during January continued to rise sharply.

Although central Government returned a large surplus of £1,714m for the month, the size of the surplus was well down on January 1980, and consolidated fund expenditure was up by no less than 29 per cent.

The size and bunching of authority payments to local authorities (under local authority increase orders) has undoubtedly exaggerated the rate of increase in January, and there is little sign of a deceleration in the growth of spending that the Government has been hoping for towards the end of the present financial year.

For the first 10 months of the year, consolidated fund expenditure is 24 per cent higher than in the comparable period last year. This compares with last year's Budget forecast of a rise of 20 per cent over the year as a whole.

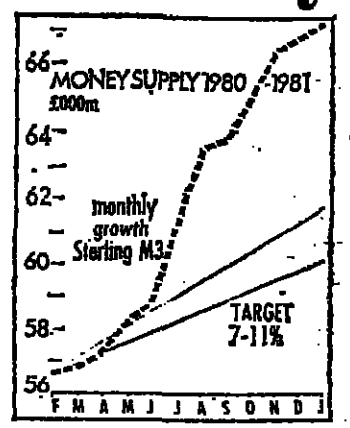
But spending is not the only area of concern. The Government cannot take a great deal of comfort from the January revenue figures either.

Although revenue for the first 10 months of the year is still running slightly ahead of forecast—21 per cent against a full year target of 20 per cent—there was a marked slowdown in the growth of receipts during January.

Overall receipts were up by only 1.4 per cent, and £300m of total £1,166m increase in receipts was attributable to miscellaneous receipts, including a tranche under the EEC Budget rebate agreement.

Income tax receipts for the month rose by just over 9 per cent, and customs and excise receipts were up by only 6 1/2 per cent.

To what extent these receipts may have been affected by late payments of tax is not clear.



But it does seem certain that customs and excise receipts are going to fall short of the one-third increase that had been expected over the financial year as a whole.

Overall, the central government borrowing requirement for the first 10 months of the year stands at £11,381m, more than £3,600m higher than at the same point last year.

Although the Government still has substantial petroleum revenue tax payments to come, as well as further proceeds from asset sales, it has already made it clear that the full public sector borrowing requirement this year is going to be some way ahead even of its revised November estimate.

The November figure had raised the original spring projection from £8,500m to £11,500m. But last month Mr Nigel Lawson, Financial Secretary to the Treasury, confirmed that even that figure was likely to prove on the low side.

City estimates project the full year outturn as likely to be between £12,500m and £13,500m. In spite of this, there was some encouragement for the Government yesterday on the trend in private sector credit demand. Although clearing bank figures for the six weeks to January 21 record an increase of £2,000m in lending to the private sector, some two-thirds of that reflected seasonal influences, particularly the credit and debit of year-end interest payments.

The banks estimate that around half the remaining figure may have been accounted for by interest rate arbitrage on "make up" day, leaving an underlying increase of some £300m, much in line with the slower rate of growth in private sector credit demand seen before Christmas.

Even though the public sector probably had a small expansionary influence on domestic credit on a seasonally adjusted basis, overall domestic credit expansion may have been relatively modest. External finance may have had a small contractionary influence, leaving sterling M3 growth of about £300m, or 0.75 per cent.

Although this leaves the annualized rate of growth since last February, the base for the present target period, at 21 per cent, and the underlying rate of growth in the period at an estimated 18 per cent, the annualized rate of growth over the past three months has dropped back to 14 per cent.

The authorities will be looking for further deceleration before the end of the financial year, though they will see only the February figures before the Chancellor's Budget speech on March 10.

Financial markets are now largely resigned to the likelihood that a reduction in M3R will probably be held back for the Budget speech itself. There is unlikely to be any rush to buy the new £1,000m gilt edged offer that goes on sale today.

Clearing bank figures for the month include an increase in foreign currency deposits of £1,800m, reflecting part of the Iranian funds which were deposited at the Bank of England as part of the hostage release package. It is not clear whether the Iranians have maintained these deposits or withdrawn them.

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Tables, page 20

Fraser board opens takeover defence

By Philip Robinson

The 14 House of Fraser directors conducting the defence against Lomho's £158m takeover bid yesterday described to shareholders how Sir Hugh Fraser's reconciliation with Mr Rowland "Tiny" Rowland, chairman of Lomho, was the final straw which meant Sir Hugh had to go.

In the first formal statement since the offer designed to give a "straightforward account of the main developments" which led to Sir Hugh's removal from the chair of Britain's largest stores group three weeks ago, they say: "We believe this latest alliance in the on-off Rowland-Fraser saga to be against the interests of our independent shareholders and employees, and we deeply regret it."

It was this final loss of confidence in his (Sir Hugh's) ability to appreciate the true interests of shareholders and employees that led 12 of your directors at a board meeting on Wednesday, January 28, to vote in favour of a resolution that Sir Hugh Fraser should no longer be chairman of the board."

But yesterday's letter brought sharp reaction from Sir Hugh and further statements of clarification from the Fraser board and from Lomho.

Sir Hugh said: "What they have not mentioned is that Simon Garmoye (Lord Garmoye, of House of Fraser's merchant banker advisers S. G. Warburg) suggested I should resign as chairman two days before the meeting with Mr Rowland."

"And why shouldn't I meet Mr Rowland? I had a lot of shareholders' calls after the extraordinary shareholders' meeting saying this should be sorted out. Mr Rowland is a shareholder and I would speak to any shareholder who wants a meeting, whether he has 10 or a million shares."

Mr Ernest Sharp, House of Fraser deputy chairman, said: "How could we have mentioned this in the letter to shareholders? We don't know what took place in that private meeting between Sir Hugh and Lord Garmoye."

After resigning the House of Fraser letter, Lomho issued a statement saying that a move to make current part-time Fraser chairman Professor Roland Smith an executive chairman was defeated by 11 votes to four favouring the same meeting which ousted Sir Hugh.

House of Fraser immediately retorted that this was part of a resolution which would have restored Sir Hugh as non-executive chairman with Professor Smith

as executive chairman. The move, suggested after Professor Smith had been voted chairman, was defeated.

A number of Fraser directors pleaded with Sir Hugh to accept the post of president of House of Fraser, but he refused.

Meanwhile, Lomho's formal offer document is expected out in two to five days. Lomho yesterday gives the House of Fraser shareholders who do not wish to take the 150p cash the chance to opt for the equivalent nominal amount of 12 per cent unsecured loan stock 1981/84. Lomho shareholders will meet to approve the bid on March 4.

The Fraser board's defence document is likely to be out before then. A major part of that will include the long-awaited property revaluation likely to show assets of 307p a share and valuing Harrods at £114.4m.

The Fraser directors advise shareholders to take no action in the meantime. "Shareholders will only benefit from the value of these property assets and the continuing improvement and development of our retailing activities if we fight off this unwelcome and opportunist bid from Lomho."

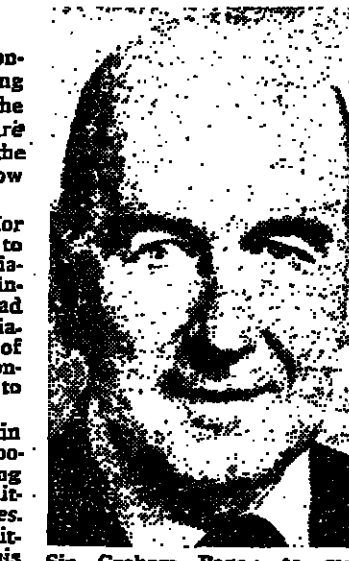
Compromise talks start on Bill for self-regulation at Lloyd's

By Richard Allen
Insurance Correspondent

Crucial talks on the controversial Bill for improving self-regulation at Lloyd's, the London insurance market, are scheduled to take place at the House of Commons tomorrow evening.

Sir Graham Page, MP for Crosby, who is attempting to steer the Bill through Parliament, is to meet its critics, including Lady Middleton, head of the recently formed Association of External Members of Lloyd's, and a group of Conservative MPs in an effort to hammer out a compromise.

Having withdrawn the Bill in the face of parliamentary opposition during its second reading last month, the Lloyd's committee has made major changes. However, although the committee is understood to regard this rafting as its ultimate compromise, the alterations are unlikely to satisfy sterner critics. These include Mr Nick Parker and Mr John Burrows,



Sir Graham Page: to meet critics.
two underwriting "names" at Lloyd's, who petitioned against the Bill in its original form.

In a compromise move Lloyd's has removed from the main Bill the controversial Clause 11, which would have the effect of giving a new ruling council blanket indemnity against the possibility of legal action. It has also accepted changes in the composition of the proposed council to increase the number of non-working members represented from six to eight.

But the existing committee is apparently still resisting pressure for specific provisions to be included in the Bill safeguarding members of the Society of Lloyd's from fraud or for provisions requiring Lloyd's brokers to divest themselves of their underwriting interests.

These could prove stumbling blocks at tomorrow night's meeting especially as many opponents of the Bill see the divestment issue as crucial to Lloyd's future. Some Conservative MPs have threatened to "talk-out" the Bill during the current session unless adequate compromises are reached.

Aerospace traded options stalled

By Catherine Gunn

Hopes of a traded option class in British Aerospace shares to coincide with the group's listing on the Stock Exchange were dashed yesterday when the Commissions, Dealings and Options Committee, chaired by Mr Peter Stevens of Laurie, Millbank, decided against their immediate introduction.

The decision was badly received in the traded options market, with dealers claiming that the three brokers to the £150m issue, Hoare, Govett, Cazenoves and W. Greenwell had put pressure on the committee not to complicate the sensitive

launch of British Aerospace with traded options.

No comment was available from the three firms last night. But the committee claims it took no account of any external pressures in reaching its decision. It prefers to see how the market develops in British Aerospace shares before giving approval for option trading in the stock, and will be reviewing the matter.

A wide spread of shares and a good market are the usual requirements for introducing a class of traded options in a company's stock, together with an established dividend record.

Grand Met directors' £275,000 handshake

By Rosemary Unsworth

Former directors of Grand Metropolitan, the brewing to hotels group, have received a total of £275,000 in compensation and ex-gratia payments.

The figures were revealed in the group's 1980 annual report which said that three directors had resigned last year. The three are Mr Ernest Sharp, former joint managing director who resigned on March 21, Mr Geoffrey Palace, former deputy chairman of International Distillers and Vintners, and Mr Derek Taylor, executive director of Grand Metropolitan Hotels. The last two resigned on June 9.

Mr Sharp, who is non-honorary executive deputy chairman of House of Fraser, said yesterday that he was not conceding that he had received any payment from Grand Met which also last year proposed to pay Mr Nicholas Coral, chairman of the gaming group, a £300,000 golden handshake if Grand Met's £37m agreed bid for Coral Leisure went through.

The decision by the Department of Trade to refer the bid to the Monopolies Commission resulted in Grand Met's withdrawal.

Sir Maxwell Joseph, the group chairman, commented that although the group now had a much broader geographical spread of activities it was still dependent to a material extent on the health of the United Kingdom economy. "The country is still passing through a painful period of recession and adjustment and domestic trading conditions continue to be difficult." But he said he was optimistic that the eventual return to a healthy and more prosperous environment would begin in 1981.

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Sir Maxwell Joseph: optimistic despite difficulties.



Sir Maxwell Joseph: optimistic despite difficulties.

US officials in trade talks with Europeans

From Frank Vogt
US Economics Correspondent

Washington, Feb 10.—EEC officials today bluntly outlined European trade concerns to the Reagan Administration.

But they relieved American anxieties that a secret deal on car imports between the EEC and Japan could lead to increased Japanese car exports to the United States.

Sir Roy Denman, Director General for External Affairs at the Brussels Commission, who was recently in Japan, assured the States trade ambassador, that no secret negotiations have taken place to secure pledges from Japan to reduce car exports to Europe. There was, however, agreement to discuss car import policies.

American sources said there would be no attempt by the United States and the EEC to coordinate separate talks on car imports with the Japanese. "We are not about to start ganging-up on the Japanese," said a senior United States official.

Sir Roy and eight other EEC officials held extensive talks with Mr Brock and his staff. The Europeans discovered that the Reagan Administration has yet to formulate any firm foreign trade policies, and that the Americans are willing to listen carefully to European opinions.

Sir Roy "made the point that things are tough in the Community, especially in the United Kingdom, in the petrochemical industry in general, and in the fibres area in particular," said Sir Maxwell Joseph, who added: "We listened with sympathy to their views."

The purpose of the talks was for the Europeans to map out their trade positions to the Americans before the firm policy decisions had been taken here, with the hope that the European views will be influential in formulating United States policy. By American accounts, this aspect of the mission was a success.

At the same time, as one American official said: "The Europeans came to find out what they could find out about our positions and we were very able to be very helpful." Sir Roy urged Washington to move ahead with domestic natural gas price deregulation; but all he could win was a firm promise that the amount of this issue was being considered.

The amount of access and hospitality granted to the EEC team clearly indicates the seriousness with which the administration is taking European concerns.

Italy settles dispute over Sony TV sets

By Derek Harris

Intervention by the Department of Trade has settled an argument between Sony Corporation, the Japanese electronics company, and Italian customs over a consignment of television sets for the Italian market made in Sony's South Wales factory.

The Italians had banned distribution of 1,400 colour televisions on the grounds that the sets did not contain at least 45 per cent components made within the European Community.

It was feared that the Italians were about to squeeze out imports of Japanese television sets assembled in Britain.

Sony claimed that the sets contained more than 50 per cent of EEC-sourced components. The company expects to sell around 16,500 colour sets in Italy this year.

When a tube factory, now under construction, Sony's plant at Bridgend, Glamorgan, comes on stream at the end of the year, the proportion of EEC components in their sets will rise to about 75 per cent, it is claimed.

Sony expects its world sales to rise by 15 per cent in the year to October 31, Mr Akio Morita, chairman and chief executive, said in London yesterday. This compares with last year's 39 per cent increase, although that followed a difficult previous year.

This year, although sales have been difficult, with United States business particularly showing a slowdown, he said. But Sony was planning production on the heels of the United States market, including 1.5 million videotape recorders (an increase of more than 40 per cent) and 2.7 million colour television sets (an increase of 300,000).

Aid talks 'disappointing'

By Patricia Tisdall
Management Correspondent

The Institute of Directors was disappointed by the outcome of its meeting with Sir Keith Joseph, Secretary of State for Industry yesterday.

Discussing the Institute's 18-point set of proposals to help industrial regeneration, Mr Walter Goldsmith the Institute's director general, criticised subsidies to industries, such as BL, but is believed to have been told that there was no alternative.

The directors presented their submissions to Sir Keith rather than to the Chancellor because they believe the Department of Industry should play a larger part in lobbying the Treasury on industry's behalf.

In particular, they want the Government to "dissuade nationalized industries and local authorities from discrimination against business in their pricing and taxation policies."

It is also thought that they made little progress on proposals to help people becoming self-employed.

Cash aids to smooth the way for more automated industry Robots to go on the Government payroll

Automate or stagnate is the enthusiastic call on the lips of robot users in Britain. That call has now been endorsed by the Government in its decision to assist the introduction of more robots in industry by paying 25 per cent of the cost of new processes that adopt robots as prime constituents.

There are now 371 robots working in British industry making the United Kingdom sixth in the world's robot league measured against Japan (8,000), the United States (3,500), Sweden (1,200), Germany (1,133) and Italy (400).

These facts are a result of a survey published yesterday by the British Robor Association which has more than 250 members. The survey found that only 19 per cent of robot devices in Britain are home-manufactured; the remainder were imported from Europe, the United States and Japan.

About £1.3m a year is being allocated by the Government for the advancement of robots in all areas of research, application, awareness and manufacture.



Industrial welding in the hands of a robot.

This figure will rise to about £1.7m by 1984. The allocation will be reviewed if demand shows that more funds are warranted.

This year 30 per cent more robots are expected to be in use by British industry.

The funding programme is provided through the Product and Process Development

Scheme and from funds administered by the Mechanical Engineering and Machine Tools Requirement Board.

Apart from offering funding for new processes the Government is also prepared to encourage robot manufacture. There are only about four manufacturers in Britain with Unimation and Hall Auto-

THE COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED HALF YEARLY REPORT AND DIVIDEND ANNOUNCEMENT

The C.B.C. Group announces consolidated operating profit for the half year ending 31st December 1980 before tax of A\$33.83 Million (unaudited) compared with A\$29.98 Million in the corresponding period last year. After deducting Income Tax of A\$14.74 Million (1979 A\$13.06 Million) and minority interests the consolidated net profit increased by 12.6% to A\$18.57 Million (1979 A\$16.49 Million).

For the Banking Group, operating profit before tax was A\$29.16 Million (1979 A\$26.47 Million). After providing A\$12.44 Million (1979 A\$11.43 Million) for Income Tax the net operating profit increased by 11.3% to A\$16.74 Million (1979 A\$15.04 Million). The C.A.G.A. Group achieved a further profit improvement during the half year. The result before tax was a net profit of A\$4.65 Million (1979 A\$3.45 Million). After providing A\$2.30 Million for Income Tax (1979 A\$1.83 Million) the net operating profit increased by 26.8% to A\$2.35 Million (1979 A\$1.85 Million). C.B.C.'s share of the net operating profit was A\$1.83 Million (1979 A\$1.44 Million).

As previously announced C.B.C. purchased from Bank of America its 22.1% interest in C.A.G.A. on 31st December, 1980 and the full profit of C.A.G.A. will accrue to the C.B.C. Group in future half years.

The Board is pleased to declare an increased interim dividend of 11 cents per share (1979 interim 9 cents) in respect of the half year ending 31st December 1980 on the issued ordinary capital of the Bank.

The dividend is payable on the 6th March, 1981. Completed transfers received by the Company up to 5.00 p.m. on Friday, 20th February, 1981 will be registered before entitlements to the dividend are determined.

Dividend warrants will be posted to Shareholders as soon as possible after 6th March, 1981.

By Order of the Chief Board, J. H. Seymour, Chief Manager, U.K. & Europe, 9th February, 1981.

BY THE FINANCIAL EDITOR

Progressing slowly

Yesterday's preliminary indication from the Bank of England that the money supply may have risen by about 0.75 per cent in January seemed reasonable in the financial markets—though clearly not good enough either to revive hopes of a pre-Budget cut in M.R.R. or to persuade investors that there is any hurry to take up the £1,000m of short-term Government stock on offer this morning.

Precisely what the latest month's figures really mean is perhaps open to question anyway given the particular complexities of the seasonal adjustment in January. But there is at least no reason to assume other than that the underlying trend continues to improve, albeit slowly. For the latest three months, for instance, the annual rate of growth in sterling M3 has fallen to around 14 per cent compared with 24 per cent in the previous three months.

But if markets find comfort in this, and are prepared to let some of the worst horrors of last year slip gradually out of memory, there is not a great deal of comfort to be had in the latest figures for central government finances.

Far from slowing down in January, government spending accelerated. Consolidated Fund expenditure as a whole was 29 per cent up on January 1980 while supply service expenditure, the major item within this total, was up no less than 32 per cent. To some extent these figures have been swollen by the size and bunching of the local authority increase orders this year (£1,700m over two and a half months, compared with an additional £640m over four months last year).

But even making some allowance for this does not improve the spending side of the picture enormously. Meanwhile, revenue has only held up thanks to large miscellaneous receipts: mainstream tax receipts were far from buoyant in January and all the items that customs and excise receipts will not now make the one third increase that had originally been forecast for the year as a whole.

Guinness Peat
Up against a high standard

After last year's good fortune in the commodity markets Guinness Peat was obviously going to be hard pressed to prevent profits from falling. But the first half figures of £5.5m pretax against £6.22m on sales down 1.6m to £287m were nevertheless worse than expected, and a sharp recovery, which looks improbable at this stage is now needed to prevent full year profits from halving around £6m.

In the United Kingdom, trading profit was over £1.48m last time round, with losses in the manufacturing, chemicals, refining and distribution activities responsible. Efforts to cut costs in refining operations were stymied by a fall in demand. Profits from Lifafood, in which Guinness holds 20 per cent, were also down.

Edmund Dell, chairman and chief executive of Guinness Peat Group.

balance, however, these operations could break even over the whole year. Overseas results were all noticeably better, with money broking a major contributor. Part of the stake in Singapore Land accounted for most of the £899,000 earned outside North and Central America and western Europe, though some of the gilt is knocked off the gingerbread, however, the strong pound which cost perhaps £m on translation.

Half-time profits include about £150,000.

It seems, let enthusiasm a little out of control when Automobile Association announced that the mini-wonder this age, the Metro, could do miles a gallon.

The news was passed up on airings around the country, by now the Advertising Standards Authority, which may be a patriotic organization but has a job to do, has upped a complaint against the Metro.

The complaint was that the mpg had been achieved in AA's test only at a constant speed of 30 miles an hour. The testing motorist could not dispute this from the poster because it was noted in such a print.

Nonetheless, BL has withdrawn the posters that had not already been used, and such explanation in larger letters on those on display.

The company must look for legislation to the fact that other complaint, doubting the claim that "these six (BL) cars outside all foreign competitors" was upheld. The ASA was satisfied that the claim was true, even in this case issued a proof because substantiation was not immediately forthcoming.

The complainant had objected that though the Metro was a Mini, it had indeed outperformed the Cherry Hatchback 1.0, the only car in the L100 range which BL considered a serious competitor.

from the sale of 12 per cent in Esperanza, an item which could be repeated in the second half given the company's declared policy of selling low yielding assets. But the jokers in the pack are commodities, and the bank, Guinness Mahon, which is not included in these figures.

Last year commodities contributed about 57 per cent of the £22.9m trading profits. The equivalent figure for the first half this year would be around £4.7m. Given the downturn in markets generally, the quieter times especially in sugar which was so important to the group last year, it will be lucky to maintain this percentage in the second half. But the bank, whose disclosed profits last year were £1.8m, may do better, partly offsetting a decline in commodities contribution.

With the interim dividend held at 3.93 gross, and chance that the final will also be held at 6.07 gross, last night's price of 113p, down 11p, the shares are on a prospective yield of 8.8 per cent.

Donald Macpherson A short-earned dividend

In spite of the fall in pretax profits from £4.5m to £2.3m last year and a much sharper drop in earnings from 21.4p to 2.7p a share, Donald Macpherson has decided to pay a maintained but short-earned dividend.

The balance sheet is strong. Helped by stock reductions borrowings were unchanged and are only about a fifth of shareholders' funds, and the fall in attributable profits was partly due to an exceptionally high tax charge of £1.8m.

Macpherson just missed out on the new stock relief rules, which would have treated it much more generously and left the dividend covered, while under the old rules it has been caught out by stock relief claw-back because of the stock reductions.

However, the decision to hold the dividend does not seem to be based on any great optimism about the current year. Last year's drop in profits was spread throughout the group, with the exception of overseas companies which were only slightly down in local currency terms.

In the United Kingdom destocking by major customers such as Woolworth on the paint side, finally eased off but volumes remained depressed and there has been little sign of recovery yet.

Indeed, about half the group is now working a four-day week and DIY seems to be the one area where Macpherson hopes for some improvement this year. Given the hazy outlook and the fact that under current accounting the group lost money last year, a yield of 8.8 per cent is not a sufficient prop for the shares at 72p.

Speculation is rising again that the Treasury is preparing a package that would somehow link the clearing banks and a reduction in the Public Sector Borrowing Requirement. Talk of a windfall profits tax at a time when bank profits will be falling (even if it might help the banks' negotiating position in the present pay round) may be off mark.

But there is renewed discussion at the Treasury about shifting the £1,400m worth of export credits from the ECGD—and thus the PSBR—on to the clearing banks. This was already mooted in last year's mini Budget and seems more realistic.

In any case the Government has already shifted some of its dollar denominated export credits on the clearing banks and the process could go on. However, there are some difficulties.

Export credits are granted at fixed rates on a scale worked out with the OECD. It tends to range between 7½ to 8½ per cent depending on length and borrower. As banks have to borrow at a far higher rate there would need to be a strong element of interest support grant from the Government.

On the assumption of present interest rates and adjusting for putative administrative costs it could be around 8 per cent. So the effect would be to lower PSBR by probably £1,200m. It would also be medium-term lending, something the banks do not like much. But this apart their balance sheets can certainly take it on. The total of clearing banks is £61,000m and overseas lending is £3,300m, so the shifting of the burden on the banks would increase their overseas lending by around 40 per cent.

The majority of those leaving

How Henry VIII and The Muppets boost the TV companies' revenues



Red Army paratroopers holding Czech cabinet ministers at gunpoint—a scene from Granada's television drama-documentary *Invasion*: the programme was shown in America and has been bought by China.

There are 21 million people in Albania and between them they have 5,000 television sets. In Gibraltar, on the other hand, with some 30,000 inhabitants, one in four owns a set.

What links these two disparate communities is their viewing habits. In recent years they have both been hooked on the adventures of *The Onedin Line*, the BBC's maritime soap opera.

Their fondness for the travels of Captain James Onedin has been shared by the inhabitants of Surinam, Saudi Arabia, Swaziland, Singapore, Bangladesh, Barbados, Bahrain, Nigeria, Norway and The Netherlands Antilles, to mention only a few of the 45 countries which have bought the series.

The Onedin success is dwarfed by the BBC's biggest overseas seller, *The Six Wives of Henry VIII*. The dalliances of that corpulent and lusty monarch have so far delighted audiences in 75 countries from Costa Rica to Oman, taking the BBC's sales to a new level.

Today, 12 years after it was made, *Henry VIII* remains a popular buy in overseas markets where networks are less conscious of a programme's age than are their United Kingdom counterparts.

The BBC's financial success has been dominated by the world market in television programmes for the past 20 years, though there is now increasing penetration in the most profitable markets by Australian and other European countries.

For both the BBC and ITV companies involved the fight to sell abroad has taken on a new importance in the past 18 months. The BBC's financial difficulties have been well publicized and will not be solved even if the Government sanctions a rise in the colour television licence to £50.

Less well publicized (commercial companies derive no profit from advertising about their falling incomes) is the fact that ITV's advertising revenues are starting to be affected by the recession. Revenue last December was £49,854,444, a fall of 19 per cent compared with December, 1979. The 1979 figure was swollen by the return of advertisers after that year's ITV strike, but the percentage drop is nevertheless disappointing.

The advertising slump has been accompanied by disappointing sales figures, which have led Mr Roy Langridge, the media director of J. Walter Thompson, to write to the Independent Television Contractors Association calling for urgent steps to remedy the companies' "lacklustre" schedules.

With the new commercial channel due to come on the air in 1982 and to be financed largely out of ITV revenues, the search for alternative sources of income is as pressing for the independent companies as for the BBC.

The BBC's sales are handled by BBC Enterprises, which also deals with sales of film, video, records and tapes, as well as general merchandising. About 70 per cent of the company's profits in recent years have come from overseas sales.

Turnover increased from £10m in 1978 to £13m last year and the company made a profit of £4m in 1979 and £7m last year. The fall attributable to its recent involvement in financing a wide range of BBC programmes, which it will then go on to sell.

All *Creatures Great and Small* has grossed some £750,000 and is still going strong, and the company has high hopes for the detective series *Shoestring*. One of the major series which the

company is financing is *Planet Earth*—a series on *Life on Earth*—which will be another three years in the making.

Then there is the BBC's Shakespeare project, which involves filming 37 plays already sold in advance to 27 countries. Three years into the six-year project, sales (in 1979 terms) stand at £4m and are expected to increase healthily.

The ITV companies are more secretive about the amounts they earn from foreign sales, but some idea of how important these sales can be is given by examining individual best sellers. It is known, for example, that *The Muppet Show* (probably the most successful United Kingdom production ever in terms of international exposure) has been sold to more than 100 countries and has grossed more than \$100m in America alone—all of this from five series of 24 episodes each.

Unsurprisingly, a very British institution, the class survey, has also attracted world-wide attention. Mr Richard Price, managing director of Richard Price Television Associates, a leading sales agent, says that this London Weekend Television series has grossed about \$6m internationally, mainly in America.

Trident Television, which covers both Yorkshire and Tyne Tees, does not reveal earnings, but rates its successes as *The Racing Game* (based on the novels of the Queen Mother's favourite author, Dick Francis) and *The Sandbaggers*, a spy thriller.

Granada is another company which will not discuss money publicly. Its most recent success has been a made-for-TV documentary, *Invasion*, about the 1968 Russian invasion of Czechoslovakia. This programme was transmitted over the ABC network in America and has been bought, though not yet shown, by China.

All foreign sales involve residual rights fees for the writers and performers negotiated with talent unions both here and in the country of transmission. The fees, which are paid after almost invariably a six-month period, are a significant source of income and one which, particularly in the case of cable and satellite broadcasting, will only make more important.

Mr Price says that he will not sell programmes at a loss. "We

will not do a deal unless we can see a fair contribution to the income going to the production company. If 99 per cent of it goes to the unions then we're not going to do the deal."

One of the amazing things about our business is the fact that it is a buyers' market throughout the world. There are many, many more hours of programme available than there are hours to fill. If you think of somewhere like Denmark with one channel with about 40 hours of broadcasting a week, it really is an uphill task sometimes.

Straight sales are not the only way of raising cash. The primary role of commercial companies is to provide programmes for the United Kingdom, but this does not prevent foreign involvement in financing.

London Weekend Television's recent *Agatha Christie £500,000 special, Why Didn't They Ask Evans?* was pre-sold to Mobil Oil before production, leaving the finished programme in the oil company's hands in America for showing through the Public Broadcast system or straight-forward commercial syndication.

Despite a lack of critical success the play has sold well and Mobil must be happy with the exercise. The company is involved in a similar deal with LWT to produce another Agatha Christie film, *The Seven Dials Mystery*.

This year's Independent Broadcasting Authority handbook notes: "Each year the TV companies continue to export large numbers of their programmes to countries in every part of the world and make a substantial contribution towards Britain's earnings from the sale of television programmes overseas."

But it is in terms of what might be called the cultural revenue that the benefits to the country become really significant. The prestige brought through foreign programmes being viewed regularly by millions of viewers in Europe, North America and the Commonwealth is of real value.

Such sentiments are likely to reinforce the privilege of the IBA for the companies themselves overseas sales are an increasingly significant source of income and one which, particularly in the case of cable and satellite broadcasting, will only make more important.

David Hewson

Alan McGregor

Disturbing Switzerland's industrial calm

Geneva
The Swiss parliament is again contemplating the case for workers' participation in management decisions—a concept manifestly regarded by some employers as "unrealistic".

The electorate seemed to be of like mind in March, 1976, when it rejected the idea by more than two to one in a national referendum with a 40 per cent turnout.

Voters then had a choice of a proposal for direct participation at board level, put forward by the unions and supported by many Protestant and Roman Catholic clergy, and a counter-proposal, parliamentary backing, providing for limited participation that would exclude union officials not on a company payroll.

Christians have since changed significantly, though the unemployment rate in Switzerland is only about 0.4 per cent compared with 2 per cent even in Japan. This situation is not attributable solely to judicious management. Since 1975 the number of foreign workers has fallen by well over 200,000 to level off at about 630,000 (still more than 20 per cent of the work force).

The majority of those leaving

had no alternative but to return to their countries of origin. In part, this was the economic turn-down, they were surplus to requirements and no longer authorized to remain.

However buoyant most of the country's enterprises might be, the recession has affected some of them enough to set off a tremor of unease among the workforce and in the Swiss trade union federation. This body covers some 15 unions with 500,000 members, in a total labour force of about 2.96 million—7.4 per cent in agriculture and forestry, 39.6 per cent in industry, crafts and the building trade and 53 per cent in service industries.

After losing membership for 27 years (the 1975 total was 471,000), the Swiss Federation of workers is trying to broaden support in the still growing services sector.

The three smaller groupings are the Christian unions, Catholic (over 100,000 members), the Evangelical (15,000), and the Agricultural Liberals (22,000). In addition, the line-up of specialized individual unions, including government employees, teachers, printers and railway

men, has an aggregate membership of nearly 150,000.

Altogether, almost 40 per cent of the actively employed have some union or craft guild affiliation.

Whether participation is again to become a serious issue depends on the general assessment of its importance in relation to the long-standing labour peace. This continues to be largely regarded by the public as an unbroken equilibrium in employer-worker relations so crucial to continued prosperity.

The federation's critics see this comfortable prosperity as containing the seeds of its own destruction by engendering complacency. They accuse the federation of "shutting its eyes" to a policy of peace almost at any price, instead of effectively mobilizing labour in support of participation, greater job security, better wages—especially for women—and a reduction in working hours.

In a referendum at the end of 1979 four-fifths of voters rejected a proposal for a 40-hour week, only the Socialists on November 19, 1979, with 13 per cent of the vote, in favour of government conditions.

If smaller groupings, such as the Christian unions, have shown more initiative, they are lightweights compared with the federation, not least in the eyes of the employers. Its status has grown along with the labour peace itself.

The story begins with the First World War. During that

war the Swiss experienced not only food shortages, but also massive unemployment. Strikes and demonstrations bred an atmosphere in which some people even viewed the outbreak of the Russian Revolution as the precursor of what might happen in Switzerland.

Workers' "extremism" at Zimmerwald (1915) and Kiental (1916) were marked by the presence of Lenin, who lived in Switzerland from 1914 to 1917. Already in its 1906 statutes the federation had declared itself for the class struggle. By 1918 antagonism between impoverished workers and those doing relatively well out of the war had attained a pitch at which they no longer had a country in common.

In a brief general strike called by the Olden Committee of trade unionists in November, 1918, an estimated 250,000 workers were confronted by 60,000 soldiers and police. Bitterness grew. It will be remembered that the two wars. This culminated in soldiers opening fire on Geneva strikers on November 19, 1920, with 13 deaths and 63 wounded.

In 1937 came a change which was revolutionary in a different sense. Its architect, a union leader and former Marxist who had been a "black" in the Otlet Committee. He was Konrad Ilg, president of the large metal and watchmakers union. After seeing what happened to unions under the

Nazi and Fascist he concluded that concepts of class struggle were imposing an emotional mental block on both unions and employers.

Trying a fresh approach, he proposed to Ernst Duetli, president of the machine and metal industries employers' association, a plan for labour peace whereby both sides would renounce strikes and lock-outs and agree to resolve disputes by pragmatic negotiations in sincerity and good faith.

He was accused of betraying the cause of the workers, while Duetli was regarded by employers as a traitor to labour. Finally, agreements were signed for a binding conciliation system with arbitration as a last resort. Other sectors of industry followed.

Today, collective labour contracts for a minimum of 2 months are negotiated separately for each branch of industry. Preliminaries are invariably in private, with negotiations well advanced before unions put proposed new terms to their membership. This prevents the restriction of room for manoeuvre by floods of semi-informed criticism. The process is helped, too, by the country's small size.

But as all concerned assert, labour peace can no longer be taken for granted. In an era of swift technological change the contracting parties are required to think a long way ahead.

The distillers prepare to spend their windfall

Derek Harris

Scotch distillers stand to get about £300m this year and probably another £50m in 1982, following the resolution of an eight-year battle over barley purchasing compensation payments. The delay in compensation payments was caused partly by the difference between European Economic Community prices for the grain and the world price. Irish whiskey makers also expect to get compensation.

The delay in compensation payments was caused partly by the difference between European Economic Community prices for the grain and the world price. Irish whiskey makers also expect to get compensation.

Which all their problems—falling sales in the recession hit home market, declining export production, combined with working and redundancies—the distillers were yesterday anxiously trying to establish how quickly they will get the money.

The question is, what will they do with it when it is paid over? The money, could of course be used to at least modify price increases or even reduce prices.

Rough arithmetic in the industry yesterday indicated that a £20m annual payment—what compensation payment would be in a normal year—was worth about 5p on a bottle of Scotch. But it looks highly unlikely that the new £40m impact and is hardly likely to stop the 30p a bottle increases

which are now going through the trade.

While companies have no doubt been writing off the additional barley costs which have been incurred from year to year since Britain went into the EEC, it would be logical to use some of the money to ameliorate the high cost of financing stocks.

But other demand on export cash could be for pricing more export effort. This would be appropriate for the compensation is being paid for price differences on malted barley used to make Scotch for export. Those companies making whisky for export will be the greatest beneficiaries from the compensation payments.

Scotch exports last year were 5 per cent down in value compared with the year before, although up 6 per cent in volume. But exports to the United States market were down 13 per cent. So the compensation will be a specific help for a sector of the industry hit by world-market conditions.

Although Scotch has been performing better than other spirits, whisky sales in Britain of Scotch in the first seven months of the present financial year were down 21 per cent.

That was caused, not only by the export decline but by falling sales in the home market.

It led to the loss of some 2,300 jobs in the industry in the past year—largely accounted for by massive wastage and widespread short-time working.

Distilling declined by about a third and blending and bottling—the real indicator of sales decline—by some 13 per cent. Distilling capacity is now working at only 55 per cent of capacity and blending and bottling at 72 per cent of capacity. Last year the industry was operating at 82 per cent capacity.

Further cuts in production would still occur as sales continued to falter—the Chancellor's likely excise impost in the Budget being another expected depressant on sales.

What does seem certain is that the distillers themselves are most unlikely to raise prices again this year and, unless cost inflation runs away, the annual price increase at the beginning of next year may be forgone given the cushioning of the compensation payments.

What could also happen is that there will be a wave of promotional offers on Scotch coming through the trade on the home market, which along with time to time give whisky drinkers a price bonus, provided they are keen shoppers.

Business Diary: Metro gnomes • Taking a Liberty

It seems, let enthusiasm a little out of control when Automobile Association announced that the mini-wonder this age, the Metro, could do miles a gallon.

The news was passed up on airings around the country, by now the Advertising Standards Authority, which may be a patriotic organization but has a job to do, has upped a complaint against the Metro.

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David Pike, the new chairman of Liberty's.

There is an old adage that when the accountant walks into the chairman's office, style flies out of the window and the greater the style of the business he is about to head, the louder the groans it can generate.

At first sight David Pike, the new chairman of Liberty's, who on his own admission was described by his predecessor, Arthur Stewart-Liberty, as a determined financier, might alarm those perspicacious and discriminating souls who feel most at home in this one of the most famous and "special" stores in the world.

Was it not Pike who as financial director had pushed for the sale of the famous Liberty fabric printing works at Merton Abbey, where generations of exquisite prints had been washed in the River Wandie? Pike takes "full

responsibility for the closure" and admits that at the time "it seemed almost an act of treachery", but says that it just was not profitable.

Pike is a great believer in the long-term good of the company. To this end Liberty is to refurbish floors six to nine on Regent Street and to let about 30,000 sq ft as office space.

Pike, 62, joined Liberty's 30 years ago as assistant accountant. He is the first chairman of the store since its founding in 1875 (who is neither a Blackmore (the family of the wife of Arthur Liberty) or a Liberty, although the retiring chairman has two sons).

The store suffers the familiar problems of a long pound and reduced tourist business. They just come in here as though it was the Tower of London," Pike says ruefully. "They don't buy."

Exciting plans for the expansion of the Chicago Mercantile Exchange have been clouded by reports that its president and chief executive officer, Clayton Yeutter, might be moving. Now the market is breathing a sigh of relief, because Yeutter has just signed a new contract.

Yeutter seemed destined for a Reagan Administration cabinet post. He had senior jobs in both the Nixon and Ford administrations and has served as head of Reagan's agricultural transition team.

The market thought that his future would be as Secretary of Agriculture. But John Block got the job and though Yeutter's contract at the exchange does not expire until the summer, the directors of the exchange were worried that Yeutter might move on nonetheless.

They have now talked him into signing a new three-year contract, backdated to January 1 at a salary reported to be more than \$200,000 a year.

In his 21 years at the exchange Yeutter has presided over a big growth in business volume and difficult and involved negotiations with federal regulators in Washington.

The exchange is to move into a new \$30m office building by the time Yeutter's new contract ends. But Yeutter may not be in Chicago in 1984, anyway, as he may yet be tapped for a Reagan job in the next couple of years.

Keeping him in Chicago now has involved putting a big increase in earnings in his new contract, exchange officials say.

Senator Nino Andreatta, the Italian treasury minister, has succeeded in appointing the chairman and vice-chairman of 60 savings banks—vacancies unfilled in some cases for more than 10 years.

The idea of the posts is to protect the small saver. Andreatta's predecessors qualified as warring factions of Christians, Catholics, and sometimes of other government parties, each put forward candidates for these plum posts of local political patronage. The savings bank movement came to reflect the worst side of Italian party politics.

How did the minister do it? He was helped by short-lists supplied by Carlo Ciampi, governor of the Bank of Italy. He steered through the most blatant sogginess of local party bosses and those citizens of local esteem who were nevertheless near to the government parties.

There are fewer Christian Democrats supporters and more sympathizers with the smaller government parties. As an opposition spokesman put it, the Christian Democrat share of the cake has gone down from 90 to 75 per cent.

Feat of Clay: casting around for "unnecessary expenditure" John Clay, chairman of Sheffield Engineers Johnson & Firth Brown, has decided to dock the company's contribution to the Conservative Party (£7,500 last year). Johnson's pretax profits have halved since the company's money helped Mrs Thatcher into power.

Ross Davies

FINANCIAL NEWS

Stock markets

Profit-taking clips gains in equities

Budget hopes saw equities on the move again yesterday. Market thinking is that Mrs Thatcher's package on March 10, will go some way towards refuelling the economy and that Government help for small businesses will eventually rub off on some of the larger public ones. Nevertheless, dealers complained that turnover remains low and that investors' attention at the start of this new account appears firmly focused on the more speculative second-liners.

Elsewhere, among majors, the continued shortage of stock lent itself to further exaggerated gains, which drew no comparison with the amount of business transacted.

Yesterday's banking figures, which showed a 0.75 per cent increase in sterling M3, were much in line with most expectations and so were largely discounted. However, speculation, showing healthy profits on the day's business, decided it was as good a time as any to sell and prices by the close were closing generally off the top.

This was around 1 1/2 in the FT Index, which having gone as high as 6.6 at mid-day, closed 4.6 higher at 485.5.

Gilt, on the other hand, disappointed by Mrs Thatcher's remarks about leaving MLI unchanged until the end of the Budget—and facing applications for the new £100 note later today—remained in the doldrums. Dealers expect a lukewarm reception for the new stock and all applications should be altered in full. After the recent glut of Government funding, the institutions seemed to have satisfied their appetite for the time being.

As a result, falls of around 1/2 were run up by mid-morning, although in longs this had been reduced to around 1/4 in the FT Index, which following the money supply figures, in shorts, the story was similar

with nervousness ahead of the figures pushing prices lower, while bear closing after the figures left the market with net gains of an 1/4 on the day.

Leading industrials made a quiet start, but improved along with the rest of the market although by the close the list appeared mixed. Hawker Siddeley led the way up, with a 6p rise to 278p, followed by

Gestner continued its rally yesterday, rising 1p to 86p, on the back of the chairman's bullish noises, earlier this week, about future growth. Word in the market is that the group is about to make some new products shortly and trade link-up with one of its United States competitors is also expected.

BOC International, 2p to 117p and Turner & Newall, a similar figure to 75p. Elsewhere, falls were seen in Becham, 1p to 179p, Glaxo, 2p to 262p and Pisons, 1p to 115p, while profit-taking clipped 3p from Boverats, at 196p. That old stock, however, London, was on the move, again climbing 2p to 63p as speculators picked up over 350,000 shares.

The Common Market's gift of a £43m grant brought a flurry of activity to the drinks sector. Amalgamated Distillers Products jumped 7p to 48p with Distillers celebrating a 3p increase to 186p by announcing the return of its Haig Dimple scotch whisky. In breweries, Belhaven slipped 1p to 33p on news of its £1m holiday acquisition, while fading bid hopes clipped 6p from Davenport at 118p.

Two bullish brokers' circulars from Greenwell and Laing & Cruckshank brought a long-awaited return of confidence to the clearing banks.

In spite of all this, turnover remained low and the thin conditions were mainly responsible for the heavy gains. Barclays showed the way with a leap of 15p to 398p, followed by National Westminster 10p to 355p, Midland 9p to 326p and Lloyds a similar figure at 335p.

In financials, the interim figure from Guinness Peat were below expectations and the shares tumbled from 124p to 110p before recovering to close at 113p. R. P. Marica continued to benefit from recent figures, advancing 5p to 171p, which, in turn, inspired Mercantile

House 5p to 610p and Mills & Allen 20p to 345p. Profit-taking after a strong run, left Eskine House 13p lower at 32p.

Unitisation plans lifted Australian and International Trust 10p to 126p, with speculative attention helping Brumming Group to a 6p rise at 62p and Hestock Johnson 7p to 64p.

Among companies reporting, disappointing statements and profit contractions had Crouch Group 13p lower at 163p, Sytko 5p to 166p and City Offices 4p to 102p. But the maintained dividend left Donald Macpherson 3p dearer at 72p, with Crest Nicholson's profits expansion leaving it 10p harder at 130p and Ladies Pride Outerwear 1p to 46p. Full-year figures from Plastic Constructions were better than anticipated and the shares rallied 5p to 27p.

Canal shipping, Manchester Ship Canal continued to reflect its recent trading loss, diving 15p to 173p, while European Ferries advanced 7p to 168p on news of its Spanish acquisition.

Foods had Associated Fisheries tumbling 5p to 54p as the Common Market sorted out its fishing policy. Active support helped Tate & Lyle up

5p to 160p, Northern Foods, 4p to 185p and Argyle Foods, 2p to 185p.

Engineers made further improvements in a thin market, with GKN 3p better at 145p, F. Pratt 8p to 70p and Peter Brotherhood 5p to 161p. Speculative support boosted Chubb 7p to 90p and G. M. Fifth 6p to 62p, while comment helped Vickers 4p to 148p.

Meanwhile, among industrials, Beaton Clark leapt 9p to 103p following a bullish brokers' circular in a thin market. Its electricals, anxiously awaiting figures due out soon, with Eurotherm International hardening 6p to 256p on its Scottish expansion plans. Hawthorn

Shares of Metal Box surged ahead in a thin market, leaping 12p to 180p. The reason for the rise was a bullish circular from brokers Laing & Cruckshank who are reported to be recommending the shares as a "buy" to institutional clients.

Leslie was another firm market, climbing 6p to 142p as Starwest, all but home and dry, extended its deadline.

Little interest was seen in oils, although among second-liners, Aram Energy advanced 15p to 355p on speculative support.

Equity turnover for February 9 was £18,293,789 (bar gains, 17,011). Active stocks, according to the Exchange Telegraph, were Barclays, Cadbury Sch. Beechams, Cons. Gold and European Ferries.

Traded options: Dealers reported total contracts of 511. Contracts were made in GEC at 25, Lasso a total of 21 and Land Secs, 47.

Tradition options: Dealers reported moderate activity with calls in Premier, Turner and Newall, British Land and Davenport Brewery. A double was made in Lounbo.

Crest Nicholson up 25 pc as interest costs fall



Mr David Donne, chairman of Crest Nicholson.

By Catherine Gunn

Crest Nicholson, the industrial holding group with interests ranging from supplying spectacle frames and lenses to house and boat designing, turned in a 25.3 per cent pre-tax profit increase to £54.2m in 1980. As promised at the time of the £2m rights issue in June, the final dividend has been maintained at 3.7p a share gross on the increased capital.

The shares leapt 10p to 132p immediately after the results. Mr David Donne, the chairman, said the difference between a 12 1/2 per cent rise in turnover to £48.4m and the much higher profit increase lay in much lower interest costs following the reduction of borrowings to only £275,000 at the year-end.

The figures included a full-year contribution from optical business Crofton, against nine months the previous year. Crofton was one of the group's better performers during 1979-

Mr Donne said all parts of the group did well in difficult markets, but for boatbuilding which made a loss. Of marine interests held up well despite lower volume.

With the exception of boatbuilding, the group has got some protection from worst of this recession. Donne sees no evidence of economic recovery yet, when it comes he expects boatbuilding to do well, group contracts on its building work but looks after design, and planning.

Crest Nicholson will not let current cost accounts year. Mr Donne said they were not the group's assets but said that with a base it had little to lose from CCA. He expressed confidence that Crest Nicholson would perform well this year in spite of tough conditions. Meanwhile, the group could look out for non cash intensive additions to its of tions.

New Belhaven acquisition

By Rosemary Unsworth

Belhaven Brewery Group, headed by Mr Eric Morley, is paying £1m for its second holiday camp acquisition since the new year.

The group is paying the consideration for Denes Holiday Camp, a 65-acre site on 65 acres of land adjoining the sea and accommodates 2,100 guests in brick chalets, wooden chalets and caravans. Mr Morley said yesterday that other acquisitions were also in the pipeline and he hoped to make an announcement in the next few days.

Last month Belhaven announced that it was buying the Golden Sands holiday camp, near Great Yarmouth, for £254,000, where interim pretax profits in 1980 were £4,500.

Refurbishment of the two camps will cost about £100,000, Mr Morley said.

Rise of 4pc at Ladies Pride

By Our Financial Staff

Ladies Pride Outerwear ended the year to November 30 with pretax profits on per cent higher at £1.1m after an increase of 14 cent to £580,000 at the half stage.

Sales of the group's dress and jersey fabrics were £7.58m in 1980, up from £6.26m in 1979. Shares rose 1p to 46p.

At the interim stage chairman, Mr Frank Rol said that all the group's stories were fully committed to the autumn. He now says the current season has seen significant improvements in volume of sales of a range. This will have influence profitability for half year to May 31.

As forecast at the half, the dividend has been a 4pc rise to 1.1p, enlarged by the scrip, giving an effective dividend increase of 20 per cent to gross.

The chairman says that depends on the economic situation in the autumn. The board is said to be in vigorous action to restore volumes and the company a strong liquid position.

The tax charge was £34 compared with £602,000 in 1979, and earnings were £7.4m, an adjusted 7.41p in 1979.

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
£m	£m	£m	per share	pence	date	total
Int. & Fin. (I)	0.22(1.17)	0.22(1.17)	—	—	—	—
Braxton Int. (I)	1.64(1.68)	1.64(1.68)	7.35(6.59)	4.9(4.35)	23/4	7.1(7.35)
City Offices (S. Int.)	1.49(1.39)	1.49(1.39)	2.6(3.97)	1.8(1.7)	8/4	3.1(3.0)
Crest Nicholson (F)	48.4(53.12)	0.06(0.25)	0.96(3.79)	0.95(2.5)	2/4	—
Crest Nicholson (I)	8.52(7.97)	0.23(0.35)	0.35(0.45)	2.5(2.5)	1/4	4.1(4.09)
F. & C. Eurotrust (I)	—	0.008(0.09)	0.03(0.72)	1.07(1.07)	1/5	—
Guinness Peat (I)	281(287)	3.55(6.22)	—	2.7(2.7)	31/3	—
Wm. Jackson (I)	66.4(56.3)	1.05(1.08)	—	—	—	—
Ladies Pride (F)	8.26(7.98)	1.17(1.13)	6.74(7.41)	2.1(6.6)	—	3.4(2.83)
D. Macpherson (F)	80.8(75.9)	2.26(4.84)	2.7(2.4)	2.7(2.7)	3/4	4.2(4.2)
Plastic Cons. (F)	10.89(10.86)	0.41(0.42)	5.51(5.11)	1.8(1.8)	—	6.5(6.5)
Webster Electro. (F)	0.7(—)	0.16(—)	—	1.75(—)	31/3	3.5(—)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pretax and earnings are net.

Briefly

Yearling bonds: This weeks coupon on local authority bonds is down to 12 1/2 per cent from last weeks level of 12 3/4 per cent. This is the lowest figure for 16 months.

RMC expands: Ready mixed concrete group has increased its interests in the security alarm business with the acquisition of three more businesses.

Webster Electrocomponents: Dividend 3.5p for year to September 30. Turnover £704,000. Pretax profit £162,000. At time of placing in February 1980 pretax profit was forecast at not less than £140,000.

Broadstone Investment Trust: Gross revenue for 1980, £1.84m (£1.87m). Pretax profit £1.64m (£1.69m). Eps 7.35p (6.59p). Dividend 7.1p (7.35p). Nav 265.4p (194.0p).

Assam Frontier Tea Holdings: Caparo Group has increased its holding in Assam Frontier Tea Holdings, 173,000 ordinary shares (18.4 per cent).

Samuel Webster & Sons (subsidiary of Grand Metropolitan): Sales for year to Sept 27, 1980, £46.77m (£34.62m). Pretax profits, £5.64m (£3.3m).

Plastic Constructions: Turnover for year to Sept 30, 1980, £10.89m (£10.86m). Pretax profit £1.05m (£1.08m). Total dividend unchanged at 3.9p gross. Board reports that since the year-end, there has been a further reduction of industry in home market. The company is directing additional sales efforts towards exports.

Crest Nicholson Investment Trust: Net revenue for 1980 £65,000 (£246,000) after tax costs £39,730p. Nav 238.2p (169.6p). Dividend 0.59p (2.5p).

F and C Eurotrust: Gross income for half year to December 31 (£109,000) (£167,000). Pretax profit £8,000 (£95,000) after expenses and interest £100,000 (£74,000). Eps 0.85p (0.72p). Nav 63.2p (62.1p).

William Jackson and Son: Turnover half year to October 21, £66.42m (£56.38m). Pretax profit £1.057m (£1.087m).

J. Rothchild & Company, a subsidiary of RIT, is planning a major expansion of its financial services activities by entering the fast-growing factoring business in the United Kingdom.

Three US firms join petroleum exchange

By Michael Prest

Signs of the mounting interest in the new London International Petroleum Exchange came yesterday when the IPE's directors announced that it would consider applications for trade membership. It is understood that several leading oil companies, including British Petroleum and Ultramar, have applied.

Speaking yesterday, Mr Robin Woodhead, chairman of the new exchange, which is due to start trading on April 6, said that three American firms, Rache, Halsey Stuart, E. F. Hutton and Merrill Lynch, had just become floor members.

Mr Woodhead expected that by the end of the year committees could be investigating the introduction of new contracts. The present contract is in heating oil, Naphtha, benzene, heavy oil and even petrol have all been suggested.

Consideration to new petroleum contracts is already being given in New York and Chicago. The Chicago Board of Trade has applied to the Com-

Recession hits Crouch Group

By Roman Eisenstein

Crouch Group, the property development and construction company, has been badly hit by the recession in the United Kingdom. The profits before tax figure of £231,000 for the half year to the end of September conceal heavy losses in



Mr Ronald Clompsom, chairman of Crouch Group.

Britain and profits abroad, essentially on one major deal. Last year profits at the end of the first half were £356,000 before tax. Sales in the six months rose from £7.9m to £8.5m. The interim dividend is being maintained at 1.53p gross a share. Figures include taxation of £356,000 of which £199,000 is the potential tax liability on a major sale in the United States. This is the sale of the office development at Maiden Lane in New York by Crouch's subsidiary, The Dutch West India Co. This sale was for around £3m and profit before tax on the deal is understood to be about £450,000.

Mr David Calkbren, the group's financial director, stressed yesterday that "this is not a one-off deal. We make profits on development in both the United Kingdom and overseas."

The board, headed by Mr Ronald Clompsom, chairman, state that the fall in profits reflects the very difficult trading conditions experienced in the United Kingdom, where Crouch is involved in property development, housebuilding and construction.

The group's property investments have been revalued, and show a market value of properties of £4.1m, including a surplus over book value of £1.1m. The net assets per share are now 182p, compared to 155p before the revaluation.

Overall, the board states that with the housebuilding and construction sectors remaining sluggish, results for the year are unlikely to be as high as the £693,000 made last time.

First-quarter loss at Johnson & Firth Brown

Sheffield-based engineering group, Johnson & Firth Brown, which saw its profits slump in the year to September 30, 1980, is still facing tough trading.

At yesterday's annual meeting, Mr J. M. Clay, the chairman, told shareholders that a loss was incurred in the first quarter of the current year. The board has had to consider every possibility to improve matters—there already has been some redundancy and further redundancies are expected in those parts of the business most hard hit.

He warned that if the board had to make a decision now on any interim dividend, there could be little doubt as to the outcome. The board does not have to decide until June, but "nevertheless, I cannot, at this time, be optimistic about our decision for 1980. The year was an interim of 1.85p gross, but no final.

Another peak for City Offices

Pretax profits of City Offices Co reached a best-ever £1.9m last year, compared with the previous record of £1.35m in 1979. However, the tax charge is more than doubled, to £788,000, against £326,000 and so earnings per share have fallen from 3.97p to 2.6p. However, the total gross dividend is being raised from 4.23p to 4.42p a share.

Extraordinary items of £742,000 (£229,000 in 1979) are being transferred to capital reserve.

Golf complex bought by European Ferries

In a multi-million pound move into leisure and sport, European Ferries, the shipping and ports group which includes Townsend Thoresen car ferries, has acquired one of Europe's finest two-course golf complexes, La Manga Campo de Golf, where it has plans to develop sporting facilities and build 1,500 villas for sale. Funding requirements for an undisclosed sum have been arranged by the Royal Bank of Canada.

La Manga is situated on the Costa Blanca and has staged the Spanish Open Golf Cham-

Earnings fall for Bougainville Copper

Bougainville Copper, the Papua New Guinea mine in which Rio Tinto-Zinc holds a major stake, made net earnings of Kina 71.5m (£46.7m), compared with K83.9m in 1979. The company warns that earnings are likely to fall further in 1981. A final dividend of eight pence a share has been declared, making 16 pence for the year. Falling head grades were offset by higher metal prices, particularly for gold and silver. Production in 1980 fell by about 74,000 tonnes to 510,397 dry tonnes of concentrate.

Bank statements for January

Statements of the London Clearing Banks and their banking subsidiaries in England and Wales, the Channel Islands and the Isle of Man made up to January 21, are summarized in the table below.	Total	Barclays	Lloyds	Midland	Nat West	CIO's
£ millions	£ millions	£ millions	£ millions	£ millions	£ millions	£ millions
Total deposits	83,261 + 3,865	24,317	14,969	17,989	25,032	2,958
Cash and balances	1,298 - 120	343	232	281	390	36
Loans	18,512 - 142	3,300	2,770	3,223	7,198	521
Discounts	18,392 - 1,078	2,250	1,776	2,771	4,226	58
Other assets	3,777 + 61	820	311	787	555	74
Provisions	44,400 + 1,847	12,907	7,112	10,506	12,887	1,294
Reserve ratio (%)	10.7 - 2.6	10.3	11.2	11.1	10.5	10.6

Starwest called on to raise offer

By Rosemary Unsworth

R. & W. Hawthorn Leslie has called on Starwest Investment Holdings, which has made a 130p-a-share bid for the group, to increase its offer or withdraw it.

The move follows Starwest's decision to extend its £3.5m offer for two weeks to February 23 and the disclosure that it has received 3.14 per cent of the ordinary shares. This brings Starwest's stake in Hawthorn Leslie to 44.6 per cent, including the shares it held before the bid was announced and those purchased since then.

The Office of Fair Trading

has also confirmed that there will not be a referral of the bid to the Monopolies and Mergers Commission, so the level of acceptance.

Starwest, which is privately controlled by Mr Remo Dipre, also holds 13.56 per cent of the preference shares.

Mr Keith Chapman, Hawthorn's managing director, said yesterday that the level of acceptance was in line with the board's expectations and he was grateful to shareholders who had heeded the board's recommendation to reject the offer on the grounds that it was inadequate and opportunistic.

The main shareholders, as M & G, the investment group

with 24.6 per cent of the equity, which said it would back the bid, and the Prudential with 7.7 per cent.

Northern Securities Trust also has 5.2 per cent. In addition two Hawthorn directors, Mr N. P. List and Mr R. A. Dale, have bought a total of 17,500 shares at 136p and 138p, bringing the board's holding to 6.3 per cent.

Yesterday the shares rose 6p to 142p, bringing them to 12p above the offer price. Mr Chapman said that any improved offer from Starwest would have to be higher than the market price to merit consideration and Starwest would have to declare that it was a final offer.

Amax sharply higher despite poor finish

By Michael Prest

Mining Correspondent

Despite a fourth quarter profits dip, Amax, the American natural resources company, raised its earnings last year by 28.9 per cent to £470m (£200m). Earnings a share were £7.48 compared with £6.49.

The rise in profitability can be measured from the relatively modest increase in output being sold on long-term contracts which provide insulation against price changes.

One ironic problem that has dogged the company for several years is energy costs. But Amax has pursued an aggressive investment programme intended to increase plant efficiency. Although the cost of new mining capacity has risen rapidly with inflation, Amax plans to invest \$1,000m a year over the next four years. Another \$1,000m was spent in 1980.

Lower nickel and copper

Wilmot team raises £2m to take over

By Margaret Pagano

The management team of Wilmot Breeden Electronics have raised the £2m finance needed to purchase the company from its parent, Rockwell International.

The six directors have received financial backing from Technical Development Capital, a branch of IFC, Barclays Development Capital and Barclays Merchant Bank. The directors, led by Mr Alan Bennis, have themselves purchased 4 per cent of the equity. The financial backers each provided 50 per cent of the remainder.

The directors put in a bid for the company last summer when Rockwell decided to sell because of geographic and product differences between Wilmot Breeden Electronics and the rest of the company. After several prospective buyers fell through, the management team went in search of financial backing. The deal was agreed in principle last August.

Two companies in WBE are: Wayne Kerr, which develops and manufactures electronic testing equipment, and Rendar, a maker of precision electronic components, jointly reported in the last calendar year sales of £5m and pretax profits of about £500,000. Sales in the current year are forecast for £6.5m. The new company will be known as WKR.

Mr David Warner, the finance director, said the reaction to the sale had been very favourable from both Rockwell and the employees. Rockwell bought WBE in 1979.

Syltore hopes maintain pay

By Our Financial Staff

Syltore, the Bradford engineer and electrical sales, still hopes to avoid dividend cut this year despite interim profits plunging more than three-fifths £319,000 pretax.

During the half-year September 30, Syltore saw declining sales and a fall in all United Kingdom markets but export sales held up despite the world recession.

A same-again interim 2.57p gross is announced, the group intends to maintain dividends at last year's level of 12.86p gross "pro that profitability does not deteriorate further."

John Clegg, chairman, says that measures taken last half-year to improve profitability, such as the regular inclusion of short-term work and for the first time a group's history of a reduction in the total force.

Bank Bas Rates

Bank	Rate
ABN Bank	1
Barclays	1
BCCI	1
Consolidated Crdts	1
C. Hoare & Co	1
Lloyds Bank	1
Midland Bank	1
Nat Westminster	1
Rossminster	1
TSB	1
Williams and Glyn's	1

Hongkong property group plans share offering

Sun Hung Kai Properties of Hongkong plans to incorporate a proportion of its interests into its majority owned New Town Properties, of which 26.4 per cent will be offered to the public by an issue of 240m SHK2 shares at \$HK2.80 a share.

Sun Hung Kai will retain 52.2m New Town shares, or 57.5 per cent, and will raise \$HK572m (about \$56m) through the issue.

It said 116m New Town shares would be offered to Sun Hung Kai shareholders on a three-for-10 basis, together with the right to subscribe for an undisclosed number of shares in New Town at a price to be fixed later.

Sun Hung Kai said total

assets of New Town would exceed \$HK2,800m after flotation. This will include both investment properties and development properties, together with certain land entitlements, to be acquired from Sun Hung Kai Properties, it said.

The shares being issued at \$HK2.80 a share represent a 10 per cent discount to the net tangible assets of New Town Properties, it said.

Canadian Pacific

Canadian Pacific has reported preliminary net income for 1980 of C\$582m (£208m), or C\$8.10 a share, an increase of C\$74m, or C\$1.04 a share, from 1979.

Net income for the final quarter of 1980 was C\$158m, up from C\$140m in the same quarter of 1979.

Business appointments

Mr Hugh Collum has become deputy group finance director of Cadbury Schweppes.

Mr Jim Grayson has been made deputy managing director of Centre-File, the computer subsidiary of National Westminster Bank.

Mr Graeme Scott is to become director of British in succession to Mr George James, deputy chairman and managing director. Mr Ianman is to relinquish the post of managing director but will remain deputy chairman of British and a

Schweppes names finance chief

group managing director of Thomson Books.

Prince Michael of Kent is to join the board of Standard Telephones and Cables.

Dr R. A. Hurst has been made manager of the group patents and trade marks department of the BEM. He also becomes a director of Thoro EMI Patents.

Mr Colin H. M. McAusland has been named production director for Redman Drives, a member of the Redman Heuman International group.

مكتبة الزمان

West End: 01-493 8222 City: 01-236 7831

ACCOUNT DAYS: Dealings Began, Feb 9. Dealings End, Feb 27. Contango Day, March 2. Settlement Day, March 5.

\$ Forward bargains are permitted on two previous days

Technical rally continues

[illegible]

* Ex dividend, a Ex alt, b Forecast dividend, c Corrected price, d Interim payment, passed f Price at suspension
Dividend and yield exclude a special payment, b Bid for
company, c Pre-merger figure, d Forecast earnings, e F
capital distribution, f Ex rights, g Ex scrip or share split
Tax free, y Price adjusted for late dealings, ** Not
significant data.

RECENT ISSUES		Clothing
Alfred London: From 1850 to 1920 (c)		Price
Reil A. G. Conv. 1899-2001		£104.50
Chesner: Water & Sed. Prof. 1953		£20.00
Smith: G. & S. Prof. 1953		£10.00

[illegible]

RIGHTS ISSUES	Issued date of renewal	As prem-3 20; prem-1
Amvill Foods(85;)	Mar 27	
Norcross(60;)		

Issue price in parentheses. * Ex dividend.
 Issued by tender: a, 100 paid b, 100 paid c, 100 paid d, 100 paid e.
 Fully paid: a, 100 paid b, 100 paid c, 100 paid d, 100 paid e.

هكذا آمن الكرمي

-Managerial-Administrative-Secretarial-Personal Assistants-

**La creme de la creme also
on page 24**

